



Daily Report

East Europe

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Bosnia-Herzegovina

Croat, Muslim, and Serb sources report that an unconditional cease-fire was violated hours after it went into effect. Zagreb and Sarajevo radio report that the Serbs violated the truce in northern Bosnia, Sarajevo, and Mostar, while TANJUG reports Muslim and Croat forces initiated the fighting.

FRY President Dobrica Cosic threatened to send Yugoslav Army troops to fight alongside Bosnian Serbs in Herzegovina if troops from Croatia "continue to take part in the fighting," AFP reports. Cosic was asked to send troops to the region by the National Serbian Council of Banja Luka in northeastern Bosnia.

Czechoslovakia

HOSPODARSKE NOVINY reports that the Czech Republic Government and the Slovak Republic Government signed a monetary arrangement treaty. Both republics will continue to use a common currency on their respective territories "for a provisional period." In line with this, the republics will establish a Monetary Committee "to guarantee all the functions of the common currency." When the common currency is no longer in circulation, the central banks of the two republics will "settle the remaining balance contained in the accounts made up of the common currency's individual banknotes and coins" in accordance with the law on dividing the federation's property.

Military Cooperation Deal Signed With Turkey

AU1211211392 Sofia BTA in English 2012 GMT 12 Nov 92

[Report by Apostol Saraivanov: "Bulgarian-Turkish Military Cooperation Agreement"]

[Text] Edirne, November 12 (BTA)—The chiefs of the General Staffs of the Bulgarian Army and of the Turkish Army, Colonel General Lyuben Petrov and Army General Dogan Gures, signed an agreement on some new measures for the strengthening of security and confidence between the two countries. Called "Edirne Document 1992 on Some Additional Measures for the Strengthening of Security and Confidence and Military Contacts," the agreement is a continuation of the Sofia Document signed in December 1991.

Yesterday the chiefs of the General Staffs had talks in the Bulgarian town of Khaskovo which were continued today in Edirne, Turkey.

General Lyuben Petrov and General Dogan Gures told journalists that the measures for the strengthening of confidence and security envisaged in the Sofia Document were at a higher level than those planned within the framework of the CSCE at the time the document had been signed. However, in result of the adoption of the CSCE Vienna Document in 1992, the parameters of the Sofia documents had been actually reached. This fact, as well as the successful implementation of the agreements reached in Sofia, prompted the two General Staffs to draft a new document setting out measures that would outpace the ones envisaged by the Vienna Document.

The Edirne Document plans to lower the threshold for the reciprocal exchange of notices about military units operations and the invitation of military observers, including notification about displacement and movement of military units. The document includes clauses on the expansion of cooperation in military training and the further promotion of contacts between representatives of the military departments of the two countries.

At today's press conference the two sides expressed their shared satisfaction with the quick achievements in the field of Bulgarian-Turkish military cooperation. It was emphasized that the positive development of relations between the two countries is a considerable contribution to the strengthening of security in the Balkans and Europe.

In the afternoon the Bulgarian delegation led by General Lyuben Petrov visited a unit of the Turkish Military Forces in the region of Edirne.

Grant Aids European Transport Integration

AU1111205692 Sofia BTA in English 1820 GMT 11 Nov 92

[Text] Sofia, November 11 (BTA)—Bulgaria will receive ECU 21 million under a programme for integration into the all-European transport system. The decision was

made by a conference on the coordination of regional programmes for integration into European transport structures attended by five states, which ended in Warsaw today, the Transport Ministry Press Office told BTA. The EC declared readiness to supervise the development of inter-model transport in Bulgaria. There will be tendering for projects in the transport sector. Bidders have to present guarantees from European banks.

SDS, DPS Begin Consultations on Cabinet

AU1211090292 Sofia Khristo Botev Radio Network in Bulgarian 2030 GMT 11 Nov 92

[Text] This evening in Sofia, consultations opened between the Union of Democratic Forces (SDS) and the Movement for Rights and Freedoms (DPS) in connection with the declaration the DPS issued today.

Prime Minister Filip Dimitrov and the leaders of the two parliamentary groups attend the consultations.

Prior to the consultations, DPS leader Ahmed Dogan said that he comes to the consultations with a specific program, and that he expects the participants in the consultations to discuss the principles and formula of a future coalition.

DPS Declares Readiness for SDS Coalition

AU1111175692 Sofia BTA in English 1630 GMT 11 Nov 92

[Text] Sofia, November 11 (BTA)—The Ethnic Turks' Movement for Rights and Freedoms (DPS) proposed that a coalition cabinet be formed, including representatives of the ruling Union of Democratic Forces (SDS) and the DPS. The movement's senior leadership and parliamentary group issued a declaration, which says: "This will guarantee the success of the two political forces' efforts to model political processes in Bulgaria after European-style democracy." The DPS motivates its decision with the need for firm support for the future government policy by the SDS and the DPS, which constitute the majority in parliament. "The differences in the two forces' approach to the drawing up of acts of parliament and Council of Ministers' decrees should be resolved," the declaration says.

It stresses that the shared political responsibility of the SDS and the DPS presupposes a direct participation of the DPS in the legislative branch, as well as in all levels of the executive branch.

In a statement for the press following the issuing of the declaration, DPS leader Ahmed Dogan did not specify whether the DPS would enter a coalition cabinet headed by Filip Dimitrov—the prime minister nominated by the SDS. "When speaking of a coalition principle we should accept as a fact what has been proposed by the SDS. At this stage we accept it. But if the coalition principle undergoes some kind of internal metamorphosis and the formation of the cabinet is based on

different principles then everything will probably have to start all over again," Mr. Ahmed Dogan said.

Officially, President Zhelev has not appointed Filip Dimitrov as prime minister-designate yet. The DPS leader did not rule out the possibility for the movement to propose its candidates for ministerial posts as well as representatives of the extraparlimentary parties. However, no concrete names and posts have been discussed so far.

Mr. Ahmed Dogan added that the SDS and the DPS would coordinate a programme which would include a system of priorities in the activities of the future cabinet.

According to Mr. Evgeni Matinchev MP [member of parliament] of the DPS, the participation of the DPS in the cabinet would guarantee the realization of the turn in the economic and social policy of the government demanded by the DPS. However, the DPS is not indifferent to the Ministry of Defence and the Ministry of the Interior, too, according to Mr. Matinchev.

Leaders of parties in the SDS declined to comment the declaration of the DPS but pointed out that the SDS invited the DPS to take part in the cabinet already this May and that its stand has not changed. Mr. Filip Dimitrov is the one to form the cabinet and he can take more concrete stand, Mrs. Zlatka Ruseva, deputy floor leader of the parliamentary group of the SDS, said.

About an hour after the issuing of the declaration of the DPS Filip Dimitrov and Finance Minister Ivan Kostov arrived in parliament.

Zhelev Officially Asks Dimitrov To Form Cabinet

AU1211175492 Sofia Khorizont Radio Network in Bulgarian 1730 GMT 12 Nov 92

[Text] Today, at precisely 1900 Filip Dimitrov arrived at the Presidency for his meeting with President Zhelyu Zhelev, who handed him his decree with the words: On the basis of Article 99 paragraph one of the Constitution of the Republic of Bulgaria and the special decision of the parliamentary faction of the Union of Democratic Forces [SDS] I entrust you with the task of forming a new government. Your mandate begins now. Within seven days you must present your cabinet.

President Zhelev also said that he sincerely wishes Dimitrov success in his difficult and very responsible task of forming the cabinet.

At present talks between President Zhelyu Zhelev and Filip Dimitrov are taking place. Journalists impatiently expect the statement Mr. Filip Dimitrov promised to make at the end of these talks.

SDS Reluctant To Give Key Ministries to DPS

AU1211200992 Sofia BTA in English 1951 GMT 12 Nov 92

[Text] Sofia, November 12 (BTA)—The parliamentary Union of Democratic Forces (SDS) today assigned Mr. Filip Dimitrov to hold consultations on the formation of a coalition government with the ethnic Turks' Movement for Rights and Freedoms (DPS). In an official declaration released yesterday, DPS demanded that a coalition government be formed. The SDS leaders believe that DPS's demand brings the formation of the cabinet into a new stage. According to comments in today's press, the idea of a coalition government may prolong the cabinet crises which started in late September when Mr. Filip Dimitrov's government submitted its resignation.

The DPS leadership held a long meeting this afternoon but it is still doubtful as to which ministries the movement will claim. Yesterday, however, the DPS MP's [members of parliament] said that their participation in the new government should guarantee a change in the economic policy pursued by the previous cabinet prioritizing the social policy. DPS was not indifferent to the enforcement ministries, either.

The Movement for Rights and Freedoms today handed a message to the secretary general of the SDS National Coordinating Council, Mr. Ivan Kurtev, addressed to SDS's prime minister nominee, Mr. Filip Dimitrov, elaborating the movement's position concerning its participation in a possible coalition government.

According to Mr. Pavel Shopov, MP of the Union of Democratic Forces, the parliamentary SDS has demonstrated complete unanimity at its meeting today, insisting that SDS should control the enforcement ministries since it assumes the major responsibility for the activity of the government.

Nowhere in the parliamentary states, does the smaller coalition partner control the enforcement ministries since it assumes a smaller part of the responsibilities than the principal political force. Besides, having in mind the acute national security problems which remain to be settled, it is natural that SDS should retain control over these ministries, Mr. Nikolay Slatinski, SDS MP and chairman of the National Assembly Committee on National Security, told BTA today. According to him, DPS would not ask any of the enforcement ministries but it could insist on some form of supervision and control in these areas. Mr. Slatinski has fears that if one of the enforcement ministries is given up to DPS, the SDS electorate would not understand it. He believes that SDS will insist on the Ministries of Finance and Foreign Affairs, too. Mr. Slatinski believes that the Movement for Rights and Freedoms should participate in the future cabinet with one deputy prime minister, two ministers and several deputy ministers which would be in line with the actual correlation of the two forces in parliament

(SDS is represented by 110 MP's and DPS by 24). Consultations between SDS and DPS are scheduled for tomorrow.

Dimitrov States SDS Stand on DPS Negotiations

AU1211115392 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 12 Nov 92

[Text] The meeting between President Zhelyu Zhelev and Filip Dimitrov, at which the president was expected to hand in the decree on entrusting Filip Dimitrov with the formation of a new cabinet was postponed at the outgoing prime minister's request. The reason for this is the prolonged consultations between the Union of Democratic Forces [SDS] and the Rights and Freedoms Movement [DPS] on the formation of a coalition government. The meeting with the president has been postponed to 1900 local time tonight.

This was announced by our reporter Diana Yankulova.

For nearly three hours this morning the SDS National Coordinating Council and the leaders of the parties and organizations belonging to the SDS coalition discussed the ideas and stands contained in yesterday's declaration published by the DPS. As we know, the declaration announces the intentions of the DPS to participate in a coalition cabinet with the SDS.

Filip Dimitrov, chairman of the SDS Coordinating Council, himself describes how these ideas were accepted by the SDS and makes the first general assessment of the situation in his following statement:

[Dimitrov] Actually, we did not adopt any formal decisions, but in the discussions that took place after getting acquainted with the DPS declaration, and as a result of assessing the parameters of our possible expectations and of the other side's expectations, we can say that the stands of the SDS members were more or less identical.

Considering that the DPS members had reached their decision only as late as 1700 local time yesterday, they presumably needed some time to think it over and to sleep on it, if I may say so, before expressing their stands, while we, in turn, are expected to express our own views.

It is natural that we intend to discuss with the necessary respect the proposals that are submitted to us. On the other hand, I am convinced that everyone understands the existence of basic principles in the position of the SDS, which also applies to myself and to my own principles, principles from which we cannot possibly deviate.

In my opinion, we have repeatedly stated our view on the fact that the SDS is obeying all principles of democracy and rules of parliamentarism, in particular. Hence, my aforementioned statement should not be accepted as a surprise, or as some kind of threat.

Nevertheless, when we are confronted with a rather drastic change in the position of a given political force, it is proper that the change should be well thought out and that the political force in question should be given the opportunity to explain its reasons for changing the policy. It is very important for us to point out that a government in which the DPS would be likely to participate should adopt and follow a specific program that should clearly specify which matters are important to them and which are important to us, according to our viewpoint. In the opposite case we would risk facing dangerous ambiguities.

There are some things that I would give a political label. In accordance with this political label, when a given mandate is accepted on behalf of a certain parliamentary force, it is proper that its intentions should be clearly and formally stated. I am convinced that such rules should be observed and we must restore principles in this country because for many years we were used to treating such matters in a rather sloppy manner.

Klaus, Meciar Sign Monetary Treaty

AU1211115892 Prague HOSPODARSKE NOVINY in
Czech 4 Nov 92 p 9

["Treaty Between the Governments of the Czech Republic and the Slovak Republic on the Monetary Arrangement" signed by Czech Prime Minister Vaclav Klaus and Slovak Prime Minister Vladimir Meciar in Prague on 29 October]

[Text] The Czech Republic Government and the Slovak Republic Government—being cognizant of the need to maintain a common currency and to guarantee its stability as essential preconditions for the smooth transfer to separate currencies and for preserving the current level of economic relations between the two states—have agreed on the following:

I.

The Czech Republic and the Slovak Republic shall continue—for a provisional period—to use a common currency, whose monetary unit shall be the Czechoslovak koruna (hereafter "common currency"), on their territories as the currency of the Czech Republic and the currency of the Slovak Republic.

II.

The Czech Republic and the Slovak Republic shall establish via this Treaty a Monetary Committee, composed of representatives from the central banks of the Czech and Slovak Republics, to guarantee all the functions of the common currency. The Monetary Committee shall act as a supervisory monetary organ.

III.

Each republic shall be represented in the Monetary Committee by the governor of its central bank and by two senior officials appointed by him from the central bank.

IV.

The Monetary Committee shall make decisions on all the issues associated with the common currency's application and with guaranteeing its stability.

The Monetary Committee:

a) Shall make decisions on the issue of banknotes and coins and shall entrust the Czech Republic Central Bank or the Slovak Republic Central Bank with regulating supplies of the common currency's banknotes and coins, with issuing the common currency's banknotes and coins, and with maintaining a record of the common currency's banknotes and coins in circulation and in reserve;

b) Shall determine the scope of the operations transacted by the republics' central banks, the amount of credit granted by them, interest rates, dates of maturity, and the other conditions for these operations;

c) Shall determine the amount and form of credit granted by the central banks to state budgets, to state funds, and to local self-administration bodies or, as the case may be, to other public institutions;

d) Shall determine the minimum amount of liquid assets that the banks and the subsidiaries of foreign banks are obliged to deposit—as their obligatory minimum reserves—in an account kept by the republic's central banks, a minimum amount that includes possible interest and punitive interest for not maintaining the minimum amount;

e) Shall determine the regulations for liquidity and capital endowment and the other regulations for the prudent functioning of the banks and the subsidiaries of foreign banks;

f) Shall make decisions on fundamental issues associated with the money in circulation, the system of payment, and rendering the accounts of banks and the subsidiaries of foreign banks;

g) Shall publish the common currency's exchange rate against foreign currencies and set the conditions for the common currency's convertibility against foreign currencies and, as the case may be, determine the conditions for regulating the balance of payments of the Czech and Slovak Republics;

h) Shall determine the conditions for standardizing the system of payment with foreign countries;

i) Shall coordinate the conditions for managing the currency reserves in gold and foreign currencies;

j) Shall determine the minimum interest rates on the deposits accepted by the banks and the subsidiaries of foreign banks and the maximum interest rates on the credits granted by them;

k) Shall make decisions on the maximum amount of credit the banks and subsidiaries of foreign banks may grant;

l) Shall adopt measures to control the ready money in circulation.

V.

When making decisions, the Monetary Committee shall proceed in accordance with the rules of procedure, which are an indelible part of this Treaty.

VI.

The costs associated with the Monetary Committee's activity shall be borne by the republics' central banks.

VII.

When the common currency is no longer in circulation, the two republics' central banks shall settle the remaining balance contained in the accounts made up of the common currency's individual banknotes and coins

and shall also settle the property rights and commitments arising from the period of the common currency. This shall be done in harmony with the principles for dividing property in accordance with the constitutional law on dividing the Federation's property.

VIII.

The contracting parties undertake to guarantee the implementation of the decisions made by the Monetary Committee on the territory of their republics. They also undertake, for the purpose of administering the common currency, to guarantee an exchange of statistical data and information between the two republics to the extent—at least—that existed on 31 December 1992.

IX.

The contracting parties undertake to adopt laws on the republics' central banks by the end of 1992 and to approve legal amendments in the currency, money circulation, and system of payment spheres, in foreign currency management, and in accounting, statistics, and banking valid on the territory of the Czech and Slovak Federative Republic on 31 December 1992.

X.

The contracting parties agree not to undertake any unilateral steps that would impair the stability of the common currency.

XI.

After consulting with the governors of the contracting parties' central banks, the finance ministers shall conclude an agreement on the conditions for preparing the contracting parties' separate currencies.

XII.

The Treaty shall expire on the basis of an agreement between the two contracting parties.

XIII.

This

Treaty shall become valid after its approval, in accordance with their own constitutional guidelines, by the appropriate bodies in the Czech and Slovak Republics.

Set down in two copies in Czech and Slovak in Prague on 29 October 1992. The two texts are equally valid.

The Monetary Committee's Rules of Procedure

1. The Monetary Committee shall convene at least twice a month alternating between the Czech Republic Central Bank Headquarters in Prague and the Slovak Republic Central Bank Headquarters in Bratislava, unless an agreement is reached on another venue.

2. The governors of the central banks and the Monetary Committee members appointed by them shall participate in the Monetary Committee's meetings. A Monetary Committee member may be represented by another Monetary Committee member on the basis of written authorization.

3. The Monetary Committee is capable of reaching a quorum if at least half its members are present. A member represented in accordance with the aforementioned item counts as a member present.

4. Meetings will be chaired by the governor, or a representative authorized by him, of the central bank of the republic where the meeting is being held.

5. Persons invited by one of the governors with the consent of the other governor, a recorder representing one republic's central bank, and someone to verify the minutes representing the other republic's central bank may also participate in meetings.

6. The agenda for the Monetary Committee's meetings will be set by the governor chairing the meeting following an agreement with the governor of the other republic's central bank.

7. The Monetary Committee's meetings shall be based on written material submitted to the meeting by the governors of the two republics' central banks.

8. The written materials must be obtained by Monetary Committee members five calendar days prior to the meeting, unless agreed otherwise.

9. The Monetary Committee shall make its decisions by a simple majority of votes.

10. In the event of a tie, the governors of the two central banks shall determine the further course of action.

11. The decisions made by the Monetary Committee are binding for all its members.

12. Minutes, containing a record of voting by individual Monetary Committee members and the decisions made by the Monetary Committee, shall be drafted from the Monetary Committee meeting. The minutes shall be drafted in two versions and shall be signed by the governors of the two republics' central banks. The Monetary Committee shall decide whether the minutes from its meetings shall be made public.

A Special Supplement to the Treaty Between the Governments of the Czech and Slovak Republics on the Monetary Arrangement

Each of the contracting parties may withdraw from the Treaty in the event of any of the following:

a) The current account deficit in one of the contracting parties' state or, as the case may be, public budgets exceeds 10 percent of budget revenue;

b) One of the contracting parties' foreign currency reserves fall below the monthly value of imports in freely convertible currencies thus endangering the common currency's stability and internal convertibility;

c) Capital is transferred for speculative reasons from one republic to the other republic to an extent that fundamentally influences the functioning of the banking system, that is, to an extent exceeding 5.0 percent of overall bank deposits;

d) No agreement can be reached on fundamental monetary policy issues in the Monetary Committee (for example, on issues concerning the exchange rate, the volume of refinancing credits, interest rates, and so on).

The contracting parties undertake to coordinate their economic and financial policies to ensure that none of the aforementioned situations occurs before 30 June 1993.

This special supplement is an indelible element of the Treaty on the Monetary Arrangement concluded between the Czech Republic Government and the Slovak Republic Government.

Set down in two copies in Czech and Slovak in Prague on 29 October 1992. The two texts are equally valid.

Referendum on Demise of Federation Proposed

AU1111142692 Prague CSTK in English 1938 GMT 9
Nov 92

[Text] Prague, Nov 9 (CSTK)—Representatives of opposition parliamentary parties' groups, who met in Brno today, voiced their support for the amendment to the Governmental draft constitutional law on ending the Czechoslovak federation worked out by the Czechoslovak Social Democratic Party (CSSD).

The meeting was initiated by the CSSD, which invited representatives of the Liberal Social Union (LSU), the Movement for Self-Governing Democracy/Society for Moravia and Silesia (HSD-SMS), the Democratic Labor Party, the Party of the Democratic Left (SDL), the Hungarian Christian Democratic Movement (MKDH), Egyuttes (ESW), and the Slovak Social Democratic Party (SSDS). The CSSD considers a referendum the only respectable and legal way to decide about the future of Czechoslovakia.

The participants in the meeting agreed to back the CSSD proposal. Milan Ftacnik from the SDL told journalists. The Christian Democratic Movement (KDH) faxed its support for the CSSD proposal. Ftacnik said the opposition supports Czech-Slovak intergovernmental agreements because it is better for relations of the two future states to be regulated by agreements. But the fact was criticized, that there will be not time enough for the agreements to be evaluated thoroughly by the deputies.

Asked why representatives of the Communist Party of Bohemia and Moravia (KSCM) and the Assembly for the

Republic-Czechoslovak Republican Party (SPR-RSC) were not invited to the meeting, Vaclav Grulich (CSSD) replied that the CSSD and its partners do not find in these extreme-orientated parties accommodating and tolerant attitudes.

Officials Comment on Czech-Slovak Talks

AU1111140392 Prague CSTK in English 2110 GMT 9
Nov 92

[Text] Roman Hofbauer, Slovak minister of transport, telecommunications, and public works, told the Slovak news agency TK SR that the draft Czech-Slovak agreement on transport and telecommunications covers fundamental forms, directions, and trends of cooperation in road, railway, and air transport.

He said that today discussion is to concentrate on the services that have been built nationwide, and which have had a single center in the Czech Republic, but which are not represented in Slovakia. One of these is the air traffic monitoring service.

Hofbauer considers suitable the application of the territorial principle in the division of railway repair shops, railway health service centers, and the like. Under the territorial principle, what is located on the territory of one republic remains there. Hofbauer also agrees with the division of the railways' mobile inventory in the 2:1 proportion (according to the population number).

Czech International Relations Minister Josef Zieleniec said neither the Czech nor the Slovak Governments today made any comments on the draft Czech-Slovak friendship treaty, presented by him and by Slovak Foreign Minister Milan Knažko.

The draft provides for the treaty's validity of 15 years. The cancellation term is one year, Zieleniec told CSTK. He said that mainly the territorial principle will be applied in the division of Czechoslovak property, but also the proportional (2:1) and historical principles will be applied.

Zieleniec does not expect a Czech-Slovak customs border to be introduced right on January 1, 1993.

Slovak Defense Minister Jozef Tuchyna does not think that the Czech and Slovak Government will reach agreement in the defense area and on the division of the Czechoslovak Army. Speaking with TK SR, he said Czech proposals are unacceptable to the Slovak side. He gave as an example the archives of the military defense intelligence service. According to him the Czech side argues that the materials are indivisible, but Tuchyna thinks the Czech side is not willing to divide them. If we do not reach agreement on defense which is of fundamental importance, we will not accept other agreements following it up, Tuchyna said.

Slovak Finance Minister Julius Toth told TK SR that in the financial sphere, he expects biggest problems to face the Czech and Slovak Republics will concern banking

relations to foreign countries, government and extra-government credits, and financial means of the Czechoslovak State Bank.

The Slovak side thinks that all assets and liabilities should be evaluated according to which republic used them. Until the year 1989, when the communist regime was toppled in Czechoslovakia, they should be divided in the 2:1 proportion, but from that year on, they should be divided according to the place where they were used. This would not apply to credits from the World Bank and the International Monetary Fund, Toth said.

According to calculations thus far, the debts of "Ceskoslovenska obchodni banka" (Czechoslovak Trade Bank) in relation to foreign countries is 60,000 million to 70,000 million korunas (about \$2,000-\$2,300 million). By the end of the year, the Slovak Finance Ministry will conclude with "Ceskoslovenska obchodni banka" an agreement on taking over the assets and liabilities according to a key agreed upon beforehand.

Unless the International Monetary Fund, the World Bank, and other international financial institutes do not accept the 2:1 proportion for dividing quotas between the Czech and Slovak Republics, the Czech Republic will have to make financial settlement with the Slovak Republic, Toth said.

Meciar Criticized for Harm to Slovak Image

AU1211131192 Bratislava NARODNA OBRODA in Slovak 9 Nov 92 p 2

[Commentary by Igor Cibula: "Tolerance Toward Newspapers and Journalists; Nothing Should Be Done That Questions Slovakia's Image as a Democratic State"]

[Text] Recent confrontational statements by Prime Minister Vladimir Meciar have proven that the Slovak head of government has not learned from the failure of the Public Against Violence movement, which vanished as a political subject not only because of the incompetence of its leaders, but also because of lack of tolerance and respect for social reality. These circumstances allowed Meciar to seize the political initiative in the spring of 1991 and win the citizens' sympathies for the Movement for a Democratic Slovakia [HZDS]. Specific evidence has, however, recently been mounting indicating that Meciar's government is acting as though it is not dependent on public support and no longer considers tolerance and respect for the social reality elementary principles of the functioning of a democratic regime.

The inquiry into the establishment of several shareholding companies in the sphere of the periodical press that has been ordered by the head of the Slovak Government Office on the basis of the appropriate instructions can be regarded as the latest example of this approach. Apart from the daily SMENA, this inquiry concerns the dailies NARODNA OBRODA, UJ SZO, SLOVENSKY DENNIK, and the noon paper MERIDIAN, which is being published by Jan Budaj. Although, officially, the

purpose of this inquiry is to reexamine the legal situation under which the aforementioned periodicals were established, warranted indications exist that possible irregularities in this regard should serve as a pretext for applying legal sanctions against the present publishers of the aforementioned dailies. In this context it is worth noting that, some time ago, HZDS representatives themselves sought participation in the NARODNA OBRODA shareholding company; however, they were not accommodated because the daily does not have any ownership ties to any political party.

Apart from the conflict about the future of Trnava University, Meciar's government is thus taking another step that may cast doubt on the image of the Slovak Republic as a democratic state of European standard. Some HZDS representatives are somehow unable to come to terms with the fact that, in democratic societies, mass communications media and the press, in particular, rarely pander to the government. Journalists are more likely to support the government's critics because the civic public perceives this opposition function of the media as a natural element of an open political system. It is mainly for this reason that politicians in established democracies shun open confrontation with the mass media and rather treat journalists as equal partners.

If sovereign Slovakia will not have a government tolerant of journalists and opposition politicians, it cannot count on gaining understanding in the European capitals, where its representatives seek assistance and support, for its urgent needs as an independent state. This is why many people now expect that the HZDS leadership will not remain deaf to the appeals to create a broad government coalition so that the solutions to the complex problems that an independent Slovak Republic will not be able to avoid can be sought on such a platform. It needs to be noted that ill-considered statements by politicians or, for example, government measures against disobedient journalists seriously damage the interest in having the process of concluding Slovak statehood take place in harmony with the ideas of the majority of citizens.

Meciar Urges Postponement of Political Struggle

LD1211232392 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1730 GMT 12 Nov 92

[Interview with Slovak Prime Minister Vladimir Meciar by correspondent Jarmila Tosecka from the political caucus of the Slovak National Council on 12 November—recorded]

[Excerpt] [Tosecka] Mr. Prime Minister, how do you evaluate today's meeting, about which many representatives of other political parties said came rather late, that it could have taken place earlier, and that many difficulties could have possibly been solved?

[Meciar] That is a matter of opinion. Fruit must be harvested when ripe. At this meeting we discussed the situation that is emerging in the Federal Assembly and the stand of

the Federal Assembly on the laws, which are to be adopted. The Slovak side must act unitedly. That is why the purpose of the meeting was to unite the parties on a common stand. We adopted such a common stand to get the Federal Assembly out of deadlock. As to the next step—what to be done with the Federal Assembly deputies—agreement will be reached on that issue next week.

Another group of very important issues brought forth were the questions pertaining to the election of the president. We proposed an election in January. I also proposed the conclusion of an agreement between the government and political parties that we postpone political struggle until 15 January, with the stipulation that there should be a kind of political peace between the government and the opposition parties. The parties asked for time to consider the offer. They said they would discuss it in their caucuses and then tell me the conditions on which they would be willing to accept such peace.

We lay no conditions. Quite on the contrary—we want to be accommodating. [passage omitted]

Klaus Expresses Optimism About Czech Economy

AU1211173692 Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 12 Nov 92 p 8

[Report by "Qu.": "Klaus Draws Up Optimistic Picture"]

[Text] Frankfurt, 11 November—On the night of 10 November in Frankfurt, the Prime Minister of the Czech Republic Klaus painted an optimistic picture of future political and economic developments in his republic. In a lecture to guests of the Metal Association, he noted that he was disappointed that, at the moment, other countries' interest in the CSFR is almost exclusively reduced to the country's division into Czech and Slovak Republics. Klaus, whose wife is Slovak, said that he is not happy about the division, but in view of Slovakia's desire for emancipation, the only solution now is to proceed with separation quickly. People, particularly in the Czech Republic, tend to ignore the fact that developments are taking place faster in Czechoslovakia than in all the other post-Communist states.

The Czech prime minister said that the objective is to keep losses in trade between the two future independent states as low as possible. He said that the Czech and the Slovak parliaments will enact 26 agreements, which the two governments have already adopted, as early as in November. These agreements should become effective on 1 January 1993. The desired customs union should be preserved in the long term. The evolution of the currency will take place in three stages, according to Klaus. At first, the two sides will preserve the joint currency, then, in a second stage, there will be two currencies with a 1:1 parity, and finally, this parity will have to be abolished. The Czech prime minister would not give a time frame for this development. Klaus put great emphasis on the

fact that the differences between the Czech and the Slovak Republics are smaller than, for example, between northern and southern Italy. These differences are certainly no argument against a temporary parity between a Czech and Slovak koruna.

Klaus said the timing of the Czech Republic's entry into the EC depends on the Czechs and not on Brussels. The Czech Republic must first gather its strength before it can become a partner with West Europe. It is clear that, at the moment, one cannot speak of EC entry, but Klaus said that a period of 10 years would be "completely inconceivable." To prove that his country is better prepared than all the other post-Communist states, he pointed to the inflation rate of 6 percent in the CSFR in the first half of the year. Hungary, which comes second, had inflation at 24 percent in the same period, while Russia, which comes last, had 940 percent.

Klaus added that privatization was also making greater progress in his country than in other states of the former East Bloc. He said that 50-60 privatization projects are agreed upon in Prague every week. Foreign investors are welcome but must not expect any state incentives that would be regarded as a "pseudo-social idea" of economic intervention. However, the Czech prime minister expects that the existing advantages in terms of labor costs will continue for many more years. At the same time, the Czech Republic is a country of social peace. There is no danger of any "Germanization", even if German investment activities continue. Klaus said that that term was to be found only in leftist publications.

1992 Slovak Budget Requires Spending Cuts

AU1011140892 Bratislava SLOVENSKY DENNIK in
Slovak 5 Nov 92 pp 1, 2

[Article by Julius Brocka, deputy to the National Council of the Slovak Republic for the Christian Democratic Movement: "Worst-Case Scenario Number Two"]

[Excerpt] [passage omitted] As of the beginning of next year, the principle "everyone pays for himself" will be consistently applied in the sphere of budget management. What this will mean for the Slovak Republic I have learned from Slovak Government material entitled "On the Principles of Budgetary Policy and Preliminary Quantification of the Revenues and Expenditures of the State Budget of the Slovak Republic for 1993." If expenditures remained at this year's level, the state budget would show a deficit of between 20 and 30 billion korunas. Even the previous government's worst-case scenario pales in comparison with this figure.

As the present government wants to continue the economic reform already begun and retain membership in the IMF, it must respect the idea of a balanced state budget. This is also the condition set by the Czech side for a Czech-Slovak union with a small "u." In this case the principle "everyone pays for himself" would mean drastically reducing the present level of expenditures.

This worst-case scenario is very specific in this regard. I will only mention the items that would be dropped from the budget completely:

- The state compensatory allowance [of 140 korunas a month introduced after the liberalization of food prices].
- The indexation of pensions and other social security payments.
- Compensation paid to banks for losses that they incur from extending private credits of social nature.
- Contributions for individual and cooperative housing construction.
- The building of projects under construction will be halted, and no new construction projects will be started.
- The Gabčíkovo hydroelectric power project will not be financed from the state budget.

—There will be no government contingency reserve for reviving the economy, and so forth.

The projected level of material expenditures represents 80 percent of the 1992 budget for all government departments; expenditures on employment policy will be cut from 5.8 to 3 billion korunas; and subsidies paid from the state budget to the communities will also be drastically reduced.

Let me only add that this preliminary, possibly overly optimistic draft, is being tabled by a government composed of people who only a year ago took umbrage at the worst-case scenario prepared by the Carnogursky government. With our independence drawing closer, one appropriate Swedish proverb comes to my mind: It is more expensive than it tastes.

Official on Purchase of Russian Materiel

LD1211174392 Budapest Kossuth Radio Network in Hungarian 1100 GMT 12 Nov 92

[Text] Hungary would like to buy from Russia air defense equipment, as well as various spare parts, main parts [foedarabok], and repair materials for the creation of an army suited to independent defense. There is no question, however, on the purchase of aircraft.

According to Antal Annus, administrative state secretary at the Defense Ministry, some military technology components might arrive already this year to the debit of approximately 800 million dollars—that is nearly half of the former Soviet Union's trade debt. He added that expert discussions about concrete deliveries will begin in the near future probably in Moscow. It will then emerge what equipment the Russians have, what they are able to supply, and how much these comply with Hungarian requirements.

Official Comments on Croatian Relations Accord

LD1111070092 Budapest Kossuth Radio Network in Hungarian 1700 GMT 10 Nov 92

[Text] The Hungarian-Croatian basic agreement that devotes special attention to the situation of minorities has been completed. Gyoergyi Orban reports from Zagreb.

[Orban] The agreement was initialled, in other words preliminarily approved, today in Zagreb by Andras Kelemen, political state secretary at the Ministry of Foreign Affairs, and Miomir Zuzul, Croatian state secretary for foreign affairs. They have also signed the agreement on cooperation between the two foreign ministries. According to this, for example, the leaders of the ministries will meet annually.

This is what State Secretary Andras Kelemen said to Hungarian radio about the Hungarian-Croatian basic agreement.

[Begin recording] This establishes the two countries' basic relations, the basic principles of maintaining contact with each other, that the disputed issues that arise should be settled by us in accordance with European norms. It also establishes the way we intend to develop bilateral relations and—this basic agreement marks a particularly new departure in this—the method of dealing with minorities is established more precisely and thoroughly than in most of the agreements previously concluded. [end recording]

Interior Minister Says Country 'Full'

AU1011133592 Budapest NEPSZABADSAG in Hungarian 7 Nov 92 p 4

[Unattributed report: "Boross: Hungary Is Full"]

[Text] On 6 November, Interior Minister Peter Boross ceremoniously opened the new building of the Ozd police, built at a cost of some 170 million forints. Following this, Boross gave a news conference on domestic security issues. Among other things, he said that Hungary is full. Therefore, the government must make clear that Hungary is not a recipient country anymore. We must make room for those who speak the same language as we do, Boross said. We cannot be generous anymore just because Europe has also closed its borders to foreigners. In this situation, people who are undesirable from a public security point of view can become stranded here.

Boross held out the prospect of making entry conditions stricter. He said that the entry to the country must be made conditional on such requirements that would provide more opportunity to control the foreigners than before. Demanding to show spending money and a letter of invitation already at the border could be such a measure. To achieve this, we would need a law that would give legal powers to the border guard.

Referring to the probable negative reaction of neighboring countries, Boross discarded the supposition that the unification of the border guard and the Army would provide greater security. In his view, closer cooperation of the police and the border guard is needed instead, along with the establishment of action units that can quickly get to the scene at the signal of the patrols at our borders. The penetration of small armed groups into the country could not be ruled out in the current confused situation. However, to avert danger, adequate transport facilities and armored vehicles are needed. The purchase of these can be ensured if the 1993 budget is passed.

Parliament Approves Supplementary Budget

AU1211131892 Budapest MTI in English 2107 GMT 10 Nov 92

[Text] Budapest, 10 Nov (MTI)—Supplementary budget proposals from the government for 1992 were passed by parliament, with more than a two-thirds majority.

Accordingly, the expected deficit has gone up by HUF 132,748 billion, making the total deficit HUF 200 billion (1 USD is 83.5 HUF).

Revenues this year lagged far behind plans, and tax payments were HUF 134 billion less than expected.

The supplementary budget authorises the government to finance the deficit by issuing state bonds of more than a year's maturity, to a maximum value of HUF 130 billion.

Suchocka Demands More Western Commitment

AU0611110492 Duesseldorf *HANDELSBLATT* in
German 5 Nov 92 p 14

[Report by Markus Ziener: "Warsaw Calls For More Western Commitment"]

[Text] Warsaw, 4 November—Poland wants to improve the investment climate in the country with a pragmatic treatment of applications by German enterprises for the acquisition of land. Polish Prime Minister Hanna Suchocka expressed this view in an interview with *HANDELSBLATT*.

According to Suchocka, questions concerning the preconditions for investments in Poland have repeatedly been a cause for impatience and misunderstandings. As a matter of fact, legal stipulations dating back to the period between the wars are still valid. However, one must not overlook that 90 percent of the applications for the acquisition of land addressed to the Interior Ministry are treated in a positive and pragmatic way. The remaining 10 percent that are rejected concern agricultural land.

"We would like more investments from Germany because Germany is an important partner for us," Suchocka stated. As far as the number of joint ventures is concerned, our western neighbor holds first place. However, if one takes into consideration the capital that has been invested, Germany holds the fourth position.

Yet Suchocka, who will start her first official visit to Bonn today, admitted that certain circles are afraid of Germany. "They have a certain picture of Germany. It is linked with the war and the 40 postwar years." When the state of emergency was imposed in Poland, however, Germany contributed a great deal to changing the situation, and it did so successfully. Yet the frequent incidents in the border regions and the nationalist tendencies might act as a catalyzer and turn this positive image again into a negative one.

However, one must not hide the fact that such incidents occur in Poland, too. After the conclusion of bilateral agreements (neighborhood treaty and border agreement), both sides must now make efforts that should not only bring the governments closer to each other but the societies, too.

Suchocka referred to the speech she delivered last week at the London summit with the heads of government from the reform-oriented countries—Hungary and Czechoslovakia—during which she stressed that the Western states should show more commitment, particularly during the first phase of transformation. One of the reasons is that an increasing number of people are asking themselves during the very painful phase of changes why they should make such great efforts and are starting to resign. The basic task is to open up real prospects for the people, she pointed out.

According to the head of government, it is true that Poland's economic situation is better than that of many neighboring countries, but there are also strong populist forces in the country, as well as radical post-Solidarity groups that advocate "decommunization." "Thus, on the one hand we are facing dissatisfaction with the economic situation, and on the other, people's fears that they might be taken to court because of former communist activities."

Poland's acceptance by the EC, which will not take place before 10 years from now according to EC representatives is naturally a very long-term prospect, the prime minister stated. It will be very difficult to win support at home for closer ties with Western Europe within that period. "Most people here want to realize their chances in the EC in the next one or two years." Thus, the government has to solve the problem of making people realize that populist solutions are not realistic and that the only possibility is a tough course.

The deputy president of the EC Commission, Frans Andriessen, hinted at the beginning of October that the economic gap between the EC and the reform-oriented states in Eastern Europe might even widen as a result of the implementation of the Maastricht treaty.

Against this backdrop, the Polish prime minister suggested during her most recent visit to Brussels that the fund for the stabilization of the zloty involving \$1 billion might be used to improve the infrastructure. This should promote the adaptation to EC standards. In addition, Poland would like to apply for a credit of 1 billion European Currency Units to eliminate its budget deficit, which will be about 8 percent this year.

Attempts to curb inflation and simultaneous efforts to revive the slight economic recovery that has taken place in the past few months are tantamount to trying to square a circle, the prime minister stressed. Yet, the latest economic data will show a decline in inflation from September to October. Moreover, proposals were submitted to parliament calling for budget cuts—in the social sphere, for example. "The most important thing now is that increases in the gross national product are not used for consumption or the social sphere but for investments in the economy."

Thus, not more than 50 percent of the increases in the national income should be used for private consumption in the next five years. A certain form of wage controls will also be maintained in the future. In addition, the government wants to make efforts to utilize foreign credits to a greater extent. So far only 30 percent have been used.

Because of the low living standard and the strong position of the trade unions, however, there is a tendency in Poland to "break" the planned distribution of the increases in the gross national product (an economic growth of two percent is expected for 1992). Thus, the current negotiations with the trade unions are aimed at achieving a consensus on the government's plans. "We

need a social consent for the reduction of the budget deficit, the limitation of expenditures in the social sphere, and the fight against inflation."

Talks are under way with the employees' representations on a "pact on enterprises" designed to create preconditions for accelerating restructuring and privatization of companies. The pact should also include conversions (the so-called mass privatization of about 600 state-owned enterprises) that is currently being discussed in parliament.

Access Gained to Documents From Soviet Archives

AU1011113492 Warsaw PAP in English 1340 GMT 4 Nov 92

[Text] Moscow, Nov. 4—Polish military historians gained access to unpublished documents of the Soviet State Defence Committee concerning the transportation of Polish factories' property to the USSR at the end of World War II.

The commission, which is copying materials of the Russian archives on the Polish soldiers detained in the camps in the USSR during 1941-47, also found reports of the Red Army intelligence units deployed on Polish territory which collected data on the underground Home Army (AK) fighting against the Germans. The information led to the arrests of its key leaders, member of the commission Colonel Adam Marcinkowski said.

The commission succeeded in finding an unpublished report on the Lenino battle of October 12, 1943, passed by the commanders of the Tadeusz Kosciuszko First Division to its superiors.

An 8-page document, drawn up by commander of the First Division, Gen. Zygmunt Berling and his deputy for political affairs Wlodzimierz Sokorski, details the reasons for the heavy losses suffered by the division in the battle. The original of the report is kept at the central archives of the Russian Defence Ministry and has never been released in Poland, member of the commission Colonel Adam Wojciechowski said.

In the 1930's, some 2,400 Polish communists were killed in the USSR, according to the materials found by the commission. Some of them were rehabilitated in 1991. They also include lists of the Polish political emigrants of the inter-war period and the documents of the Communist International.

On Wednesday [4 November], Marian Wojciechowski, general director of the Polish state archives, met in Moscow with the chairman of the Russian Committee on Archives Rudolf Pikhoya and the directors of the largest Russian archives in which documents concerning Polish-Soviet relations are kept.

Wojciechowski brought with him a special letter of thanks from President Walesa to Boris Yeltsin, in which the Polish president once again expresses his gratitude to

Yeltsin for the "historical gesture" of revealing documents on the Katyn massacre and the Ribbentrop-Molotov Pact. Attached to President Walesa's letter are two additional lists of questions of interest to Polish historians. It is hoped that they will be clarified thanks to the release of additional Soviet documents still in Russian archives.

The first list requests Soviet documents on topics such as the imposition of martial law in Poland in 1981; the circumstances of the death of Wladyslaw Sikorski, premier of the Polish government in exile; Soviet activities during the Warsaw uprising; and the Soviet Government's position on and policy towards the London government, including the Soviet abrogation of diplomatic relations with it in 1943.

The second list requests additional circumstantial information on the fate of Katyn victims and of those imprisoned by the Soviets between 1939-47, the circumstances of the creation of Professor Burdenko's false report, and the Polish-Soviet talks on the matter of Katyn in the 1970's at foreign ministry level.

Russian archival researchers will hand over 57 documents to Polish researchers concerning relations between the two countries since the early 1950's. Among these documents is the November 9, 1943 note of Wanda Wasilewska to Stalin which proposes candidates for the Polish Committee for National Liberation (PKWN), together with NKVD [People's Commissariat of Internal Affairs] files on each of them.

These documents are likely to be handed over to Wojciechowski by Boris Yeltsin himself in the Kremlin on Thursday.

Pikhoya assured PAP that the documents which Polish researchers are to receive are all that are available in the Kremlin's archives on Polish matters. However, he did not exclude the possibility that additional Polish documents may be kept in so-called "secret files". Of approximately 1.5 thousand, over 300 have been examined so far by a special committee. So far documents pertaining to the Katyn massacre and the secret protocols of the Molotov-Ribbentrop Pact have been found.

Goryszewski: Army To Purchase Polish Weapons

LD0911223992 Warsaw PAP in English 2209 GMT 9 Nov 92

[Text] Radom, Nov. 9—Deputy Prime Minister Henryk Goryszewski assured the workforce of the "Lucznik" metal enterprise in Radom on Monday [9 November] that the Polish Army was buying and would continue to buy Polish weapons. The state treasury debt resulting from the deal he termed as of little importance.

However, Goryszewski expressed his concern over the slow pace of Sejm's work on the law on financial restructuring of enterprises and banks. He also promised that the inter-ministerial meeting devoted to the future of the

"Lucznik" enterprise, which has been continuously postponed, is bound to be held next week.

During a meeting with the town authorities, directors of enterprises and representatives of the Radom Craft Chamber, Goryszewski outlined the targets of the government's economic policy. Among the main tasks faced by the Cabinet, he quoted the development of private firms, the creation of favourable economic conditions and curbing of inflation. As far as financial impact on the economy was concerned, the deputy prime minister announced the introduction of a package of combined financial instruments: The VAT [value-added tax] and tax exemptions for investors would accompany the hitherto applied instruments.

After the meeting, newsmen were told that arms manufacturing enterprises are to undergo internal restructuring, which would consist in dividing their production into arms manufacturing and consumer-industrial production. Deputy Minister of Industry Waldemar Szajewski, responsible for the "military line" of production said 10 enterprises will be transformed into state treasury owned companies while in 18 the state treasury will be the majority shareholder.

Defense Minister Briefs New Defense Policy

AU1011145592 Warsaw POLSKA ZBROJNA in Polish
6-8 Nov 92 pp 1, 2

[Report on news conference by Defense Minister Janusz Onyszkiewicz in Warsaw on 5 November]

[Text] Problems of security, including defense doctrine and military cooperation with other countries, were the topics discussed during a news conference by Janusz Onyszkiewicz, national defense minister, on 5 November. The minister was accompanied by Deputy Minister Przemyslaw Grudzinski.

First, Minister Onyszkiewicz discussed problems related to Poland's defense policy. The document that is commonly referred to as the "Defense Doctrine" consists of two parts, he said. Part one is the "Principles of Polish Security Policy" signed by the president, and part two is the "Security Policy and Defense Strategy of the Republic of Poland."

Onyszkiewicz stressed that the "Principles" contain the rules governing defense policy. They include the intentions and actions of the Polish state.

"This is not a document that could possibly contain the complete defense doctrine, and calling it by such a name would be too committal. Military doctrine, which in our case is of a defensive nature, is a group of opinions accepted by a given state on how to pursue military activity, the possible nature of military conflicts, and the scenario such conflicts might follow. Operational plans of the General Staff form a basic part of the doctrine, and for obvious reasons these plans cannot be published; therefore, I will restrict myself to the defense doctrine

principles to be published soon. No Western country published its defense doctrine in any case. What they do publish are the principles of security policy and 'white papers' devoted to defense, which I think is a more suitable name," said the minister.

"If," he continued, "the principles of our defense policy possessed the status of an act of parliament, it would be difficult to make any changes in them. In any case, in no country does defense policy possess such a legal form. Therefore, apart from a certain general framework that has to be approved by the president, defense principles on the whole must not be so stiff. Institutions responsible for state security must be able to amend and adjust them. I see no need to make any major changes in the document, unless certain legal instruments or constitutional principles dictate otherwise. Likewise, no one knows how the situation in Europe might develop in the future, and any developments might necessitate changes in defense policy."

Other topics discussed by Minister Onyszkiewicz were as follows:

His visit to Greece: "This was a preliminary visit, and it resulted in the conclusion of an agreement on military cooperation. The needs of the armed forces and the possibilities of cooperation were established. Greece has considerable needs in certain spheres, such as helicopters. The Greeks want to expand their special forces, which we had an opportunity to watch in action during exercises, and they might be interested in buying Polish equipment."

His visit to the United States: "This will take place at a time when the United States is shaping its policy vis-a-vis Central and Eastern Europe and European structures. This is a good opportunity to present our views on the situation in this part of the continent and on the role the United States might play in it.

"During its U.S. visit, the Polish delegation is scheduled to visit the Space Control Center, a strategic nuclear forces base, and a naval base, including a super aircraft carrier."

On the military budget: "The Sejm is still debating an amendment to the state budget, which could mean a reduction in the size of the military budget. The ministry is doing all it can to prevent the real value of the military budget from falling. The reduction of funds for the purchase of armaments will hit Polish industry, and a shortage of money for investments will make it impossible to build accommodations for military personnel of the Krakow Military District."

On decommunization legislation: "The Ministry of National Defense hopes the Army will be accorded special treatment on account of its particular nature and on account of the way in which the PZPR [Polish United Workers Party] acted inside it."

On the training of reserves: "We are examining possibilities of providing military training for college graduates."

On alternative military service: "Not for everyone. However, we are considering new forms of military service, so that men may serve at posts that do not require combat training and the bearing of arms."

On the future of the "Visegrad Triangle": "All its members agree that military cooperation should be continued."

Budget Amendment Passes by 54 Votes

AU1011191792 Warsaw ZYCIE WARSZAWY in Polish
7-8 Nov 92 p 1

[Report by Piotr Zaremba "Reduced Budget"]

[Text] The Sejm has passed a law amending the budget for 1992. A total of 224 deputies voted for the amendment, 171 against it, and 10 abstained. The 54-vote majority is the greatest success that the government, which officially does not enjoy the support of a majority of deputies, has scored so far.

Earlier, a motion tabled by opposition clubs calling for the bill to be thrown out and a request from the Confederation for an Independent Poland for increased expenditure on education and health care were rejected.

A factor in the governing coalition's victory was the high level of attendance and discipline among the deputies from the government parties, as well as the support of "Solidarity," Christian Democracy, and the German Minority, the abstention of the opposition Union of Labor, and the attitude of some deputies in the Alliance of the Democratic Left, and the Polish Peasant Party. A group of representatives of those groupings did not vote or even support the government's proposals.

Behind the scenes at the Sejm, it was felt that the step taken by Waldemar Pawlak, the chairman of the Polish Peasant Party, who came out in favor of the budget amendment along with several club colleagues, was a signal to the governing coalition. At the Sejm, this is seen as being linked to efforts that some Democratic Union politicians are making to win over the strongest peasant party.

The budget amendment was also supported by the four members of the Center Accord's liberal faction, who belong to the new club formed together with the Liberal-Democratic Congress and the Polish Economic Program. Only Jerzy Eysymontt abstained from voting.

Contrary to Sejm practice, the vote was held in the afternoon to enable members of the government and deputies who had been to Germany to vote. Concern about coalition deputy attendance at votes on important

government projects is customary. Formally, the Suchocka government can count on the support of clubs with a membership of 220 out of a total of 460 (including "Solidarity" deputies, who do not formally belong to the government majority).

The budget amendment envisages the deficit growing by a further 16 trillion zlotys as a result of receipts from taxation and privatization falling below projected levels. To prevent the deficit from growing even more, the Sejm has agreed to increase the turnover tax, introduce import charges, and cut expenditures, primarily on investment and various subsidies.

Senate Passes Amended Budget

LD1211144392 Warsaw PAP in English 1347 GMT 12
Nov 92

[Text] Warsaw, Nov. 12—The Senate passed on Thursday [12 November] the amended budget law for 1992 without introducing any changes in it. The law was passed by 51 votes against 21 with 8 abstentions.

State Enterprise Pact Initialed

LD1111191592 Warsaw PAP in English 0143 GMT 11
Nov 92

[Text] Warsaw, Nov. 11—Representatives of the government, "Solidarity" and employers installed most of the agreements and disagreements of the State Enterprise Pact leaving only the section on collective contracts for further wording. The protocols have been accepted by financial, privatisation and social teams. The documents also require the acceptance of Marian Krzaklewski, chairman of the "Solidarity" trade union. The National Commission of "Solidarity" trade union is also to decide whether to accept the pact.

Stolen Cesium-137 Containers Still Missing

LD1111121192 Warsaw PAP in English 1341 GMT 10
Nov 92

[Text] Koszalin, Nov. 10—A local prosecutor's office in Szczecinek, northern Poland, has accused two local farmers of receiving two stolen containers filled with Cesium-137 and storing them in a manner posing a threat to human health and life, spokesman for the prosecutor's office Adam Rusinowski has said.

The two farmers allegedly made a deal with Russian soldiers stationed at the Borne-Sulinowo garrison last July and took over two containers filled with radioactive Cesium-137 worth 162 million zlotys (about 10 thousand USD). One of the containers with 88 kilogrammes of the radioactive substance was found by police after a 12-day search, the second, 35-kilogramme container is still missing.

Stolojan Speaks to Senate About Inflation Issue*AU1211170792 Bucharest ROMPRES in English 1551
GMT 12 Nov 92*

[Text] Bucharest, ROMPRES 12/11/1992—Addressing the Senate during its November 11 sitting, caretaker premier Theodor Stolojan referred to developments in the Romanian economy over the past year saying that October was the third consecutive month in which industrial production grew. The questions to which we do not have answers are: Is it a growth because more resources were introduced into the economy, all while maintaining the current high-energy-consumption structure, or is it a growth generated by the new phenomena of restructuring, of encouraging export offers, of stimulating farm production, therefore, a series of processes which transition set in motion, a tendency that would be positive on a short- and long-term basis and the only tendency that should be encouraged and supported.

As for inflation, the prime minister said, that represents a phenomenon and a routine matter in any market economy and with which any market economy—the transition economies even more—is confronted, and another one—the inflation to correct disbalances within a policy purposefully promoted to correct disbalances, which is linked to the elimination of subsidies, to the establishment of a natural connection between internal and external prices, and other such processes. Unfortunately, we cannot avoid either of them but we may say that the mechanism and the policies we made operational exert downward pressure on what we and everyone else call routine inflation, the inflation with which all market economies are confronted. We cannot skip the correction inflation, we can only postpone it, but this postponement means a postponement of pain.

Exports and the balance of trade: A deficit worth roughly \$31 million is expected in October in conditions in which imports are massive. There were massive imports in October and they continue in November to create the stock of energy, of wheat and of sugar; in October, too, crude imports worth roughly 100 million dollars were made. The Romanian premier showed that owing to the measures taken and the policies promoted by the government, which derive from the programmes he set forth before Parliament, the balance-of-trade deficit this year would be well below the planned level.

Premier Theodor Stolojan said wheat had been sown on 1.93 million hectares, therefore roughly 2 million hectares, which means almost 1 million hectares more than in the same period last year. The prime minister assured everyone that wheat requirements would be met until the end of March.

Theodor Stolojan said Romania was in a unique position among former socialist east European countries. Romania has all external financing lines open and some of them have not been used yet recently, an IMF delegation assessed the way in which Romania fulfilled the programme endorsed by its Parliament and reached the

conclusion that for the end of September the performance criteria had been met; therefore, a \$75-million line is available to be used in case of necessity. At the same time, Stolojan pointed out that the loan granted to former socialist countries by the Group of 24, worth roughly \$180 million in 1992, had not been used at all. Furthermore, of the loan given by the World Bank in two tranches, at present \$90 million are available from the first tranche for which new auctions are organized as in previous auctions not all fairness terms were met. There are imports of crude, fuel oil and diesel oil. The second tranche of the IBRD loan, worth roughly \$150 million—which should be received starting next year—is questionable in only one area—financial discipline.

Referring to the cost of transition from one system to another, Premier Stolojan said: Perhaps it was a mistake when we called it economic reform—and in fact we did not call it so, others did it for us. As a rule, the reform is linked to the correction of abuses in an existing system. That is why, the western countries that dealt and are dealing with transition in the former socialist countries fit us into patterns that were suitable to many countries and called it an economic reform. As a matter of fact, our problem is a revolution which calls for the transfer of power. That is why we and not others are here; if it had not been about a transfer of power, the essence of this transition, others and not us would have been here now.

Therefore, the transition from one system to another has a cost no matter where in the world it occurs. And this cost is different. We did not take the road to transition, we merely woke up one morning and found ourselves in transition, which immediately led to the collapse of an economic system set on a political system without having a new system, Stolojan pointed out and added that one of the most dramatic effects of the cost of transition was the drop in production.

Referring to the costs of transition, the premier listed the contradiction between the liberalization of prices and the modality of strengthening financial constraints that work on enterprises and the contradictions between privatization and financial infrastructure, which was not set so as to meet such demands, and the paradise created in a number of enterprises owing to benefits given to employees. It is the premier's opinion that it is only the continuation of the reforms that might give a coherent, positive solution to the respective contradictions.

Minister's Figures Contradict Fuel Forecast*AU1011193992 Bucharest ADEVARUL in Romanian 3
Nov 92 p 1*

[Article by Corneliu Carlan: "Will We Shiver This Winter?—RENEL Says Yes, the Minister Says No"]

[Text] A news item from sources at RENEL [National Electricity Company], broadcast by the national television network, warned us about the precarious situation of our energy supplies now that winter is almost here.

Naturally, that information has troubled us, just as it has also upset our readers who phoned us yesterday.

We turned to industry minister Dan Constantinescu to find out from him whether the information is correct or false. Instead of commenting—which he resolutely refused to do—he gave us a table, which we are publishing below, and which is meant to prove that the situation concerning our energy supplies is far from dramatic. On the contrary, one might even worry about the thoughtlessness with which water supplies are being

consumed instead of using the coal stocks that could be replaced more easily and quickly.

Was the information sequence short-circuited or are we facing an attempt to prey on public opinion which—under the current circumstances—could easily be turned into political capital? Anyway, we are going to publish the only thing we have learned from the Industry Ministry: "There is nothing to be worried about concerning energy resources for the coming winter. The situation in that field is incomparably better than it was one year ago."

Situation of Stocks of Primary Energy Sources

Unit of Measure	Optimal stocks	Existing in 1991		Existing in 1992	
		30 Sep	31 Oct	30 Sep	27 Oct
—Coal for thermal power stations	(in thousand tonnes) 6,500	4,491	4,513	5,880	5,729
—Fuel oil	(in thousand tonnes) 900	144.7	144.7	138.5	299.6
of which:					
—National reserves	(in thousand tonnes) 500	80	80	87	171.3
—Natural gas stocked in underground reservoirs	(in million cubic meters) 660	600.2	578.7	685.1	667.4
—Water in dams of hydro-electric power plants	(in million cubic meters) 2,580	2150	1,800	1,890	1,780

Unemployment Rate Rises by 6.5 Percent

AU1011165092 Bucharest ROMPRES in English 1537 GMT 10 Nov 92

[Text] Bucharest, ROMPRES 10/11/1992—According to data supplied by the Labor and Unemployment Department of the Ministry of Labor and Social Protection, the rate of unemployment in Romania rose from 6.3 to 6.5 percent last week. On November 9, 1992 as many as 570,503 persons, of which 499,277 workers, received unemployment benefits. Subsistence allowances were granted to 162,807 of the 189,000 persons requesting them.

At present there are 4,622 open jobs in Romania and they are registered with the aforesaid department. Of them only 432 are meant for graduates of high schools and higher learning institutions.

National Police Chief Discusses Current Activity

AU1211190592 Bucharest ADEVARUL in Romanian 4 Nov 92 pp 1, 3

[Interview with Colonel Ion Eugen Sandu, head of the General Police Inspectorate, by Petre Popa and Nicolae Militaru; place and date not given: "The Demilitarization of the Police Presupposes Political and Economic Stability"]

[Text] [ADEVARUL] Colonel Sandu, only three weeks have elapsed since your appointment as head of the National Police and you are already drawing a balance [as published]. How do you assess the activity of the Romanian police over the last year?

[Sandu] After the explosion of the crime rate that followed the 1989 December events, I can say now that the situation has become stable. This means that the activity of the police aimed at preventing and combating antisocial activities has become increasingly efficient. Let's look at one of the statistics: Some 85-90 percent of crimes committed by unidentified persons have been solved, whereas in west European countries—where police forces are much better equipped and staffed and have greater financial resources—the same proportion is about 30-60 percent. One can clearly see that our employees are professionally highly skilled and thus they can compensate for the lack of appropriate equipment.

[ADEVARUL] In your opinion, what concrete steps should be taken in the immediate future to increase efficiency in investigations and prosecutions?

[Sandu] We lack all sorts of things. Nevertheless, for the moment we would be satisfied if we could have faster motor vehicles. Even if we had just a small number of such vehicles to start with, and if they were suitably equipped with scientific investigating apparatus, we could use them to solve exceptionally serious criminal cases, those endangering the health or the lives of people

violating public or private property. I am aware of the fact that all my predecessors went to great extremes to obtain such equipment. The state gains billions of lei each year as a result of the work of police personnel. I think that the time has now come for a part of the money that flows into the budget from us to be earmarked for proper equipment for us. Anyway, I would like to reassure all my colleagues at all levels that I—being a person who has actually grown up among police officers—will keep knocking at every possible door until we get what we need, at least what is strictly necessary.

[ADEVARUL] Personally, we can understand such requests, especially under the current circumstances, when the police have to combat exceptionally dangerous types of crime, hitherto unknown in our country, such as international organized crime.

[Sandu] Indeed, we have had and still have to solve numerous complex cases related to drug trafficking, counterfeit currency, arms and explosives trafficking, mafia- and gangster-type assaults, and attempts made by international criminal organizations to penetrate Romania. Criminals wanted by the police all over Europe, the United States, or Asia have been caught in Bucharest, and the police of many countries—including the United States of America—have praised us for the professionalism and speed of Romanian officers in apprehending dangerous criminals or entire networks. However, this does not mean that we are fully prepared to confront a new wave of all kinds of crime that could flood our entire country. We are trying to prepare our experts as we go along, to adapt our strategy and methods of action to the particularities of the crimes committed both by Romanian and foreign citizens. With the help of colleagues abroad, we have managed to send our people to training courses in France, Britain, Italy, and in other countries.

Similarly, police officers of those countries have visited us here and shared their experience with us.

[ADEVARUL] On the very first day in this office you said you were going to grant more freedom to the county police inspectorates. What do you mean to achieve by that?

[Sandu] According to my own experience, the people who have revealed or taken over a case should also have the duty to solve it. To be more explicit, everything that happens within the area covered by the county or Bucharest inspectorates ought to be efficiently solved by them, and they should not expect orders, instructions, or guidelines to come from the center if such things are actually superfluous.

[ADEVARUL] You are the author of several well-received works in criminology, you have lectured at the Police Academy, and you have been the chief of one of our major county inspectorates. What is your assessment of the idea—which was launched not long ago—concerning the demilitarization of our police forces?

[Sandu] That idea is not new. It has already been done in certain countries. We also might do it at sometime in the future. However, that cannot happen before a certain level of economic and political stability is achieved. We have to wait until our economy functions normally, and meanwhile we have to eliminate black marketeering, corruption, violence, and organized crime. We have to reinforce the fundamental institutions of the state of law. As soon as we achieve all that, the demilitarization of the police will follow all by itself. However, until that day, we can only properly accomplish our duties related to strengthening the state's authority, ensuring public justice and order, and protecting Romanian citizens, if we submit ourselves to the rigors of military discipline.

Serbs Reportedly Violating Cease-Fire

LD1211155592 Zagreb Radio Croatia Network in
Serbo-Croatian 1400 GMT 12 Nov 92

[Report by HINA correspondent Pero Gasperevic from
Sarajevo]

[Text] At the Sarajevo battlefield the Serb aggressor has
breached the latest agreement on an unconditional truce
that came into force at midnight. According to the
Sarajevo security services center, shortly before noon
Serb forces used tanks to shell buildings in the Ciglane
district and on Hasan Brkic Street. There are no reports
of any casualties.

In the course of the morning Serbs fired a number of
artillery shells at the Lav cemetery during a funeral
ceremony. At the same time two highly destructive shells
fell in the immediate vicinity of the Jezero hospital and
one hit the suburb of Brijesa. Sporadic infantry fire can
be heard from surrounding hills.

According to Bosnian radio, the cease-fire agreement
signed by the Croatian Defense Council [HVO], the
Bosnia-Herzegovina Army, and the aggressor is being
violated by the Serbs on other Bosnia-Herzegovina
fronts: Gradacac, Olovo, Brcko, Mostar, and Travnik.

The UN Protection Force [UNPROFOR] command in
Sarajevo provided a feeble consolation when it
announced that the cease-fire in Sarajevo will be moni-
tored from observation posts and that peace forces have
been deployed throughout Bosnia-Herzegovina to moni-
tor the implementation of the agreement.

Cease-fire violations will be discussed at Sarajevo airport
today within the sub-committees comprising military
representatives of the HVO, Bosnia-Herzegovina Army,
and the aggressor. At the meeting, to be chaired by
UNPROFOR officials, the issues of opening main roads
in the Sarajevo area and lifting the blockade of the
Bosnian capital will be raised again.

UNPROFOR once again today voiced its reservations
about the evacuation of Sarajevo population and went
on to say that the de-militarization of Sarajevo would be
a better solution.

Violations Reported in Mostar

LD1311100292 Zagreb Radio Croatia Network in
Serbo-Croatian 0900 GMT 13 Nov 92

[Text] The chetniks are not observing the cease-fire on
the Mostar battlefield. They have been opening espe-
cially fierce fire on Bijelo Polje and Blagaj, while shells
have also been falling on Buna. The town defense lines
have also been under attack. Formations of the Croatian
Defense Council have not responded to the attacks.

Izetbegovic Accuses Serbs

AU1311094492 Paris AFP in English 0755 GMT 13
Nov 92

[Text] Sarajevo, Nov 13 (AFP)—Bosnia-Herzegovina
President Alija Izetbegovic has accused Serbian forces of
violating the cease-fire that began Thursday [12
November] in the war-torn former Yugoslav republic,
Sarajevo radio reported Friday.

In a letter to the U.N. Security Council, Izetbegovic said
Serb troops had launched a series of attacks in the north
of the country on positions of the Bosnian Army, which
has a Slav Moslem majority.

The radio said he mentioned specifically the town of
Travnik, 100 kilometres (62 miles) northwest of Sara-
jevo. But an AFP correspondent in Travnik Thursday
said he the Moslem town was not under attack.

Sarajevo was calm overnight, with only occasional light
arms fire, said troops with the United Nations Protec-
tion Force in Yugoslavia (UNPROFOR).

Previous ceasefires have failed to hold in the civil war in
Bosnia-Herzegovina raging since last April.

Sarajevo Radio Reports Violations

AU1311122692

[Editorial report] Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian on 13 November in its 1100
GMT newscast carries several reports on violations of
the current cease-fire, and even mentions the activities of
"enemy aircraft."

A Gradacac Press Center report says "that the Serbian
aggressor army is mercilessly pounding the civilian quar-
ters of Gradacac with destructive artillery fire." The
report appeals to the United Nations and the UN Pro-
tection Force to "prevent the catastrophe taking place in
Gradacac" and invites all foreign journalist to come to
Gradacac and "see for themselves the monstrous crimes
committed by the Serbo-Montenegrin and local chetnik
army." The report further says that "the chetniks" are
bringing more men and equipment toward Krecane and
Skugric with helicopters from Duge Njive in the direc-
tion of Modrica.

In a dispatch from Tesanj, Ramiz Brkic says that "the
aggressor" is aiming its fire at civilian targets "since he
has not been able to penetrate the lines of defense," while
at the same time he is concentrating tanks, artillery
weapons, antiaircraft machine guns and antiaircraft
guns, and infantry troops "on the nearby hills." At 0830
GMT an air raid alarm was sounded in the region, Brkic
says, as it was reported that "a group of aggressor's
aircraft was approaching the region." He adds that the
aircraft "luckily" did not carry out any combat activities.

A correspondent from Bugojno Kemal Balihodzic
reports that "the aggressor is not observing the signed
cease-fire." He says that there is machine gun fire from

Serbian strongholds "on the occupied territories" of Donji Vakuf and Kupres communes, and adds that the positions of Bugojno defenders have been shelled in the last 24 hours.

A report read by the studio announcer says: "At 1010 [0910 GMT] an air raid alarm was sounded for all of Sava Basin villages stretching from (?Priglav) to Slavonski Samac in the eastern part of the Slavonski Brod commune. Judging by the reports, a smaller group of aircraft of the Serbian occupying army—two of them flying separately—and several helicopters overflew the region and violated the air space of the Republic of Croatia, but did not attack. However, strong explosions can be heard from the vicinity of Bosanski Samac in the nearby Bosnian Sava Basin whose origin still has not been ascertained."

Duska Rakonjac, who reports from Sarajevo Security Services' Center, says that "an enemy sniper" wounded a civilian on Pero Kosoric Square today," but adds that "the morning in Sarajevo passed without aggressors' activities."

Serbs Deny Violations

LD1211212392 Belgrade SRNA in Serbo-Croatian 1715 GMT 12 Nov 92

[Text] Serb Sarajevo [no date as received]—Serb units received strict orders not to open fire on any account, except in self-defense. The army of the Serb Republic fully adheres to the cease-fire agreement, Major General Milan Gvero, deputy commander of the Serb Army Main Staff, told SRNA today.

According to Gvero, the Serb command has reports that Croat-Muslim forces—despite the agreement—continue with armed activities in the territory of Posavina, and to a lesser degree in the regions of Bihac and Bugojno. Gen. Gvero warns that the greatest risk to the agreement is the open aggression of the Army of the Republic of Croatia against the Serb territory in eastern Hercegovina and a broad area of Orasje. Gen. Gvero hopes that the above attacks on the part of Croat units will stop and that the other two sides in the conflict in former Bosnia-Hercegovina, as well as the Republic of Croatia, will soon realize that any further escalation of the conflict will lead nowhere.

Serbs Report Muslim Violations

LD1311065592 Belgrade TANJUG in English 0607 GMT 13 Nov 92

[Text] Belgrade, Nov 12 (TANJUG)—Fighting continued on Thursday [12 November] in the war-stricken former Yugoslav Republic of Bosnia-Hercegovina, despite a ceasefire agreement which took effect at midnight. The agreement was signed on Tuesday by military representatives of the three warring sides in Bosnia-Hercegovina—Moslems, Serbs and Croats.

The Moslem forces on Thursday morning opened artillery fire on Serb positions around Doboj in northern Bosnia-Hercegovina, and several shells hit the town, TANJUG's reporter said citing Bosnian Serbs' military sources. Several civilians were wounded in the attack, the same sources added.

According to Serb military sources, three Serb villages near the northeastern Bosnian town of Brcko came under artillery fire from the direction of the neighbouring Republic of Croatia, but no casualties were reported.

Moslem units encircled in northern Bosnian town of Gradacac attempted several times, but failed to break through Serb positions, Serb military sources said. Similar was the situation in the area around the central Bosnian town Maglaj, also besieged by the Serb forces.

According to Serb sources, several commando groups tried to infiltrate on Thursday to the Serb-held areas near the Moslem-controlled town of Bihac (northeastern Bosnia-Hercegovina).

It was quiet in Sarajevo, with sporadic ceasefire violations, the same sources added.

In Hercegovina, the Moslem-Croat forces, supported by the regular Croatian Army, launched a fierce infantry and artillery attack on Serb positions around Nevesinje and Stolac.

Fighting continued around Stolac also on Thursday evening, the Hercegovina Corps of the Bosnian Serb Army said. It also reported sporadic provocations by the Moslem-Croat forces from infantry weapons around the Serb town of Trebinje. Serb units in Hercegovina "are resisting the attacks, while causing heavy losses to the enemy," the Hercegovina Corps added.

Cosic Threatens To Use Army in Hercegovina

AU1211183892 Paris AFP in English 1832 GMT 12 Nov 92

[Text] Sarajevo, Nov 12 (AFP)—Fierce fighting broke out Thursday [12 November] around Mostar in south-east Bosnian-Hercegovina despite a cease-fire in force since midnight, as Yugoslavia threatened to send in Federal Army troops to back Serb forces.

The Croatian Defence Council (HVO - the Bosnian Croat Army), quoted by the news agency HINA, said the Serbs had breached the ceasefire by shelling their defences overnight.

Around 80 shells from multiple rocket-launchers struck an old people's home killing three pensioners, said HINA.

The HVO said the Serbs had called for the ceasefire in order to regroup their forces after suffering heavy losses in recent days.

United Nations peacekeeping force spokesman Adnan Abdel Razek said the Serbs had been given a hiding in the Mostar region since Sunday.

In Sarajevo however the ceasefire was generally holding said Razek, although four people hit by bullets and seven hit by exploding shell fragments were admitted to hospital Thursday afternoon, an AFP correspondent reported.

The cease-fire was signed by military leaders from all three warring sides on Monday, after a surprise offer by the Serbs, in the presence of United Nations peacekeepers.

After a relatively calm morning Serbian shelling resumed in the Capljina area, southwest of Mostar, and Stolac, southeast of the town, leading to infantry and artillery exchanges, said Radio Zagreb.

The radio said HVO troops had launched a counter-attack and captured several strategic points southeast of Stolac.

General Milan Gvero, the deputy commander of Serbian forces, quoted by the Serb news agency SRNA, stressed Thursday that his troops were complying strictly with the ceasefire agreement, but said they were being threatened by the "open aggression" of the regular Croatian Army in eastern Bosnia-Herzegovina.

In Belgrade, Cosic, president of the rump Yugoslav federation of Serbia and Montenegro, threatened to send Federal Army troops to fight alongside Bosnian Serb forces in eastern Herzegovina if regular Croatian troops continued to take part in the fighting.

His comments came after the National Serbian Council of Banja Luka, the Bosnian Serb Government in northern Bosnia, called on Cosic Thursday to deploy federal troops on their side, in an article in the Belgrade daily VECERNJE NOVOSTI.

Cosic appears to have been distancing himself recently from Federal Prime Minister Milan Panic, who he believes is too conciliatory over Bosnia.

Serb forces Thursday accused their opponents of breaking the ceasefire in the Bihac area in the west and Bugojno in the centre.

The Serbs had cut a Bosnian-held strip linking Mount Igman, south of Sarajevo, and Gorazde in the east, after fierce fighting, the Serb agency SRNA reported.

Croatian radio, quoting the HVO, meanwhile said Serb forces had stepped up the pressure on the central town of Travnik, shelling overnight defensive positions particularly near the small towns of Karaule and Turbe.

Bosnian radio said Serbian forces had launched tank and infantry attacks on Gradacac in the northeast, Olovo in the east and Maglaj in the north.

UK Troops Secure Routes to Main Base

LD1311101792 London PRESS ASSOCIATION in English 0947 GMT 13 Nov 92

[Report by Charles Miller, PRESS ASSOCIATION defense correspondent, in Split]

[Text] British commanders today declared the routes through the Bosnian mountains to the main UK base secure as the first Warrior armoured fighting vehicles headed north. Troops from B Squadron, the 9/12 Royal Lancers, were patrolling along the routes in their Scimitar light tanks to guarantee the Warriors' safe passage. "The reconnaissance mission has gone according to plan apart from a couple of inevitable breakdowns," said a spokesman for the UK brigade headquarters in the Croatian port of Split. "Those vehicles have been quickly repaired and the routes are now secured."

The first 14, 30-ton Warriors, of B company, which will play a crucial role in protecting humanitarian aid convoys through the winter months, left Split early today on low-loader trailers. When they arrived at the Croatian garrison town of Tomislavgrad, where the Army has established its forward logistics base, they were quickly unloaded and "bombed up" with ammunition. B Company was expected to reach the British reinforcement base at Gornji Vakuf, where it will be permanently based, before nightfall. The remaining three Warrior companies will leave Split over the next three days for the main UK base at Vitez from where relief aid convoys will be launched to the beleaguered towns to the north, where thousands of people could die during the winter.

The first Warriors are now expected at the Vitez base late Saturday night, where some 800 men from the Cheshire Regiment, the Royal Irish Regiment and support units, will be housed in a local school and tents in the playing fields. The Warriors, together with the Scimitars, will be an integral part of the British operation to escort United Nations aid lorries to towns such as Tuzla and Maglaj. Reconnaissance forays in Land Rovers were suspended after last week's mortar and machinegun attack on British troops as they tried to push through to Tuzla.

Extra plates of Chobham armour have been bolted on to the Warrior, making it invulnerable to everything but a direct hit by an artillery shell. Both the Warriors and the Scimitars are armed with powerful 30mm Rarden cannons, which can fire 900 armour-piercing rounds per minute, and 7.62mm Hughes chain guns capable of giving the same weight of fire as 40 Second World War infantrymen. The Army expects that local warlords will seek to test the effectiveness of the equipment and the troops' resolve to fire back. They hope it will not happen and warn it would be highly inadvisable because the British ability to return fire is described as "awesome" in comparison to weapons held by local militia.

Sarajevo Refugee Convoy Reaches Croatian Border*AU1211155792 Paris AFP in English 1507 GMT 12 Nov 92*

[Text] Zagreb, Nov 12 (AFP)—A convoy of refugees that left Sarajevo on Tuesday [10 November] arrived at the border between Bosnia-Herzegovina and Croatia Thursday morning, the Croatian agency HINA reported here.

There had been no information all day Wednesday from the convoy of 17 buses carrying mostly women and children.

The convoy arrived near the south Croatian town of Imotski where medical teams awaited them, the news report said.

Radio Sarajevo said about 300 people from the convoy were being held in Kiseljak, located about 30 kilometers (18 miles) from the Bosnian capital and presently under Croatian control.

The refugees were expected to travel later during the day from Kiseljak to the Croatian port city of Split, on coast of the Adriatic sea, the radio report said.

On Wednesday, Bosnian military authorities allowed the local Red Cross to evacuate about 1,000 Serbs from Sarajevo, but plans to transport thousands of other people out of the besieged city before winter sets in were suspended.

The Red Cross, which had aimed to evacuate 6,000 refugees from Sarajevo in three days, took its decision after a minibus driver was injured by a gunshot.

Serbs Reportedly Blocked From Leaving Sarajevo*LD1311041192 Belgrade TANJUG in English 0054 GMT 13 Nov 92*

[Text] Sarajevo, Nov 12 (TANJUG)—The Moslem authorities on Thursday [12 November] did not allow 1,500 Serb refugees, most of them women, children and elderly, to leave Sarajevo, the Bosnian Serb news agency SRNA said.

The refugees are expected to leave the Moslem part of Sarajevo on Friday, at the instance of the Red Cross of the former Yugoslav Republic of Bosnia-Herzegovina, SRNA said.

Due to such a stand of the Moslem authorities, refugees are compelled to spend the third straight night at the railway and bus station in Sarajevo.

On Tuesday and Wednesday, only 700 citizens managed to cross from the Moslem to the Serb part of Sarajevo and proceed towards Belgrade, SRNA added.

Six buses and 70 passenger cars, carrying Serbs who have fled the Moslem-held central Bosnian town of Zenica in

the past several days, set off for Serbia from the Serb Suburb of Pale near Sarajevo on Thursday.

Refugees from Zenica said Serbs were threatened by arms [word indistinct] forced to leave their homes, which were they occupied by Moslem refugees from Jajce (central Bosnia) and other Bosnian towns.

According to the U.S. news agency UPI, the Croatian authorities on Thursday did now allow some 450 Moslem-Croat refugees from Sarajevo to enter the territory of Croatia. The ten-bus convoy proceeded towards the Croatian Adriatic city of Split, but was halted on the border with Bosnia-Herzegovina.

UPI quoted a Croatian official as saying he was not instructed from Zagreb to allow the refugees into Croatia.

Meanwhile, the Croatian authorities allowed around 300 Moslem-Croat refugees from the Serb-controlled towns of Banja Luka and Prijedor (in northwestern Bosnia-Herzegovina) to enter Croatia.

SRNA Reports Aid Aircraft Carry U.S. Uniforms*LD1311084992 Belgrade TANJUG in English 1036 GMT 12 Nov 92*

[Text] Belgrade, Nov 11 (TANJUG)—Three aircraft carrying 20 tons of American uniforms for the Moslem Army in Bosnia-Herzegovina landed at Sarajevo airport on November 8, said a statement released by Bosnian Serb authorities on Wednesday [11 November].

The statement, carried by the Bosnian Serb news agency SRNA, said that the uniforms had been purchased by an African Arab country from a U.S. base in Germany.

The cargo was loaded onto the relief flights at an airport near Frankfurt, Germany, the statement said.

The Bosnian Serb side strongly protested with the U.N. Protection Force (UNPROFOR) over the incident four days ago, and is still waiting for a reply. According to unofficial information, the cargo will be returned to the port of origin, the statement said.

The Bosnian Serb side has many times offered evidence that U.N. embargo on arms sales to former Yugoslavia is being violated.

The Yugoslav Foreign Ministry has recently submitted to the United Nations a memorandum with the names of 28 Austrian, 18 German, seven Swiss, five Italian, and five British firms which are selling arms on a regular basis to the former Yugoslav Republic of Slovenia and Croatia, and to the Moslems in ethnic strife-torn Bosnia-Herzegovina, which has also seceded from Yugoslavia.

Silajdzic Expects 'More Active' U.S. Steps

AU1311113992 Cologne Deutschlandfunk Network in German 0500 GMT 13 Nov 92

[Interview with Foreign Minister Haris Silajdzic by Ursula Welter; place and date not given—recorded; Silajdzic statements in English with superimposed German translation]

[Text] [Welter] What does it mean for you and your country that Germany is to assume diplomatic ties with Bosnia-Herzegovina, particularly at a time when there is war in this former Yugoslav republic?

[Silajdzic] Precisely because of the fact that diplomatic ties are assumed in times of war, such a step is of outstanding importance for both countries, especially for Bosnia-Herzegovina. For us this recognition is of importance at a time in which we need friends. For us, Germany is a friend at a difficult moment, which is why this step is of special importance.

[Welter] As a result of the war and the fighting, your country has practically been smashed into various pieces. Which of these parts is Germany now recognizing and assuming diplomatic relations with?

[Silajdzic] Bosnia-Herzegovina is an internationally recognized country within internationally recognized borders that were established hundreds of years ago. Bosnia-Herzegovina is an internationally recognized country within the borders that existed before the outset of the war and that were actually finally established at the Berlin Congress of 1878. Our national sovereignty and territorial integrity is based on these borders.

[Welter] Did you also discuss visa issues during your talks in Bonn?

[Silajdzic] No, this question was not raised.

[Welter] Several thousand refugees want to leave your contested country, but the military leadership does not want to let most of them go, particularly men who are fit for military service. Are you scared of losing soldiers?

[Silajdzic] Do not forget that we are living in times of war, and that everyone has responsibilities toward one's country. What is the obligation to pay taxes in times of peace is now military service. All men fit for military service are expected to defend their country, which is why, under our law, they are not allowed to leave at the moment.

[Welter] Do you expect the EC to open its doors to the refugees and that it do so without any restrictions?

[Silajdzic] Some countries have already opened their doors, but this does not of course solve the refugee problem outside our borders and the problems of displaced persons in our country. This is why, under the

active participation of the community of peoples, security zones should be set up in Bosnia-Herzegovina with temporary shelter for those who lost their homes or apartments and for displaced persons who now have to sleep out in the open.

[Welter] From your point of view, is Germany's support sufficient?

[Silajdzic] I think that Germany has done everything it can. Yet, Europe as a whole has not done enough. We expected much more active participation by the EC. At least one must be aware of the fact that what is going on in Bosnia-Herzegovina is not a civil war or even a war or normal aggression. What is going on is a monstrous crime, an enormous slaughtering of people. More than 100,000 people have already been killed. We also expect the community of peoples to take extraordinary steps in an extraordinary situation, in which one million people have been displaced by force, and—as I said before—at least 100,000 people have died, most of them civilians, women, children, and old people. This is why we need extraordinary measures. Let me repeat: At this difficult moment we have friends and enemies; Germany is a friend.

[Welter] You are speaking of extraordinary measures. Are you calling for military intervention by the West to end the war in your country?

[Silajdzic] We think that the West should intervene militarily. It is an obligation toward Bosnia-Herzegovina. It is an international obligation. It is the obligation of the civilized world to end the slaughter. If the community of peoples is not ready or able to intervene, it should at least not prevent us from stopping the aggression that has been directed against us, and from defending ourselves. You know that an arms embargo was imposed against Yugoslavia and that this now prevents Bosnia-Herzegovina from acquiring the weapons it needs for self-defense. This situation cannot be justified either morally or legally. We, therefore, call for the lifting of the arms embargo so that the government of Bosnia-Herzegovina can fulfill its duty and defend the citizens of its country against this aggression.

[Welter] The United States has so far been very careful in this connection as far as committing itself is concerned. Do you think that the Clinton administration will play a more active role?

[Silajdzic] We hope so. We know Clinton's position, and I myself talked to Vice President-designate Gore. Gore told me that the world's attitude toward Bosnia-Herzegovina was cowardly and immoral. Both know exactly that what is going on in Bosnia-Herzegovina is not a war—as has been claimed—and that there are no belligerent parties, but that a monstrous crime is being committed against our civilian population. I assume that the new U.S. Administration will take more active steps to end the tragedy in Bosnia-Herzegovina.

Pardons for Serbs, Others Goes Into Effect*AU1211213892 Paris AFP in English 2038 GMT 12 Nov 92*

[Text] Zagreb, Nov 12 (AFP)—Croatian President Franjo Tudjman has pardoned 104 people, including several Serbs who had been convicted of "armed rebellion against Croatia," under an amnesty declared at the end of September, the presidential office said.

In a report in the Zagreb daily NOVI VJESNIK on Thursday [12 November], the office said the amnesty covers people who took part in the war against Croatia, but excludes those believed to have committed war crimes.

Those pardoned include members of the Croatian armed forces and others found guilty of crimes committed during the war in Croatia. The exact nature of the crimes was not specified.

The commission responsible for considering cases is still studying a large number of appeals for pardons, the presidential office was reported as saying.

Prices of Gasoline, Diesel Up 50 Percent*LD1311000692 Zagreb Radio Croatia Network in Serbo-Croatian 0000 GMT 12 Nov 92*

[Text] The prices of oil derivatives in Croatia went up by an average of 50

from midnight tonight, INA oil industry announced. The price of the 98- and 86-octane gasoline went up by 50

, of unleaded by 51.7

, D1 [diesel] by 52.3

, D2 by 48.3

and finally D3 by 48.8

. The prices of heating oil and other oil derivatives remain unchanged.

Serbs Fire Artillery Around Slavonski Brod*LD1211205092 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 12 Nov 92*

[Text] Following an almost one-month truce, chetniks based on the opposite bank of the Sava River and the Serbian army of occupation suddenly began firing artillery shells on Jaruge and Sikirevci, villages in the eastern part of the Slavonski Brod municipality, where a general alert was sounded. According to still incomplete reports, the Serbian aggressor fired around 15 to 20 shells on these villages from Bosnia. There have been no reports on casualties, but considerable material damage was caused.

Serbian-Croatian Negotiations Suspended*LD1011230892 Belgrade TANJUG in English 1627 GMT 10 Nov 92*

[Text] Belgrade, Nov 10 (TANJUG)—A joint commission comprising representatives of Croatia, Serb Krajina Republic (RSK), the European Community and United Nations Protection Forces (UNPROFOR) on Monday [9 November] suspended work owing to a failure in negotiations, said a statement released by UNPROFOR headquarters on Tuesday.

All sides expressed concern over the failure, UNPROFOR said in the statement and added that in its efforts to overcome the problem, it would conduct bilateral talks with each side in the future.

The RSK was formed by Serbs who make up the majority population in areas of the former administrative borders of Croatia, in response to Croatia's forcible secession from Yugoslavia and denial of human rights.

After last year's clashes between Croatian forces against the local Serbs and the Yugoslav Army, the RSK was included in the UN Protection Areas (UNPAS) and some 12,000 blue berets were deployed there.

The commission, set up in June, on the basis of UN Security Council Resolution 762, has held eight meetings so far. The last meeting in Topusko on Monday was interrupted after more than three hours of unsuccessful talks.

It was agreed that security in the pink zones had not changed essentially, and that ceasefires were often violated. The Croatian side was to blame for this, while the Serb side was violating Vance's plan with its heavily armed militia, said the statement.

Chairman of the commission and UNPROFOR Deputy Commander Cedric Thornberry said that fundamental problems had not been resolved with the Serb authorities at RSK capital Knin relating to the disarming of the militia in pink zones as well as in four UN-controlled sectors.

Thornberry said that one, or both sides together, were blocking the work of the sub-commissions. There was a lack of political support and want of the will to solve at least one problem, he said and added that a report on the matter would be submitted to UN Secretary-General Butrus Butrus-Ghali.

The Croatian side expressed dissatisfaction at the meeting over the statement that both sides were to blame for the commission's failure.

The Serb side recalled that the Serbs had always been in favor of demilitarization, unlike the Croats, and asked UNPROFOR if it was able to protect the Serb population. They were given no reply, said RSK sources.

New Trieste Irredentist Crisis Discussed

93BA0153C Zagreb NOVI VJESNIK in Serbo-Croatian
29 Oct 92 p 9

[Article by Inoslav Besker: "Who Will Shout 'Trieste Is Ours?'"—first paragraph is NOVI VJESNIK introduction]

[Text] The Trieste communists and neo-Nazis are striving to keep Italy from allowing Slovenia and Croatia to succeed to the Osimo accords.

Rome—Croatia could find itself in difficulties with Italy, since irredentist circles, especially in Trieste, reacted savagely when they found out that Italy had accepted Slovenia as a legal successor to the SFRY in the Yugoslav-Italian agreements that affected Slovenia.

In Trieste, according to the front page of Milan's *CORRIERE DELLA SERA* on Wednesday, posters saying "No More Osimo" have appeared; the mayor is threatening to resign, just like Giulio Camber, state under secretary for the Merchant Marine elected to parliament on the socialists' joint ballot and the ballot for Trieste; the neofascist Italian Social Movement is convening a protest rally in Trieste; and the Democratic Socialists and the excommunist Left Democrats are also demanding that the government reexamine the treaties that would be inherited from Yugoslavia by the former Yugoslav republics.

Among all those treaties, the thorn in the eye of the Italian irredentists is the Osimo accords, which defined the status of the former Zone B of the free Trieste territory of Koparstina (today in the Republic of Slovenia under the name Slovensko Primorje) and Bujstina (today in the Republic of Croatia). Only the most extreme ones among them still cherish the hope that those parts of Istria could once again fall under the Croatian leadership. They hope, however, that at least to some extent they can change the administrative status of those territories within Slovenia and Croatia, or at least win a more favorable position for the Italian minority in those states, without offering reciprocity in return to the Slovene and Croatian minorities in Italy.

Most of them, like Paolo Sardoso Albertini, president of the Federation of Refugees from Istria and Dalmatia, accuse the Italian Government and Foreign Ministry of

treason, claiming that "the government promised that it would reexamine the treaties with Slovenia and Croatia."

What treaties are these? As we were informed at the Slovene Embassy in Rome, they are a whole series of various international agreements, the first of which were still concluded by the Kingdom of Italy and the Kingdom of the Serbs, Croats, and Slovenes in 1922. They include conventions on border crossings, on rural protection, legal and payment transactions, etc., i.e., all documents without which it is absolutely impossible to maintain normal everyday relations between the two neighboring states.

Slovenia requested from Italy that in accordance with international law, our republic succeed to the SFRY in those international agreements which affect Slovenia and in which Slovenia also played a significant role in Yugoslav-Italian relations, as Iztok Simonetic, minister-counselor at the Slovene Embassy in Italy, specified for us. On 31 July Slovenia consequently submitted several notes with all the agreements that it wanted to inherit from Yugoslavia, and on the next day the Italian Foreign Ministry sent a note accepting the Slovene notes, whereby all those agreements became Slovene-Italian ones.

The Italian irredentists only caught on and reacted when those documents were published in the Italian official gazette.

What Slovenia accomplished so simply could turn into an arduous procedure for Croatia, which obviously was not that quick.

Where did Croatia stumble? "Croatia and Slovenia are some of the inheritors of the SFRY's international legal status. That is a fact that Europe and the world have accepted and recognized. In that context, back in March 1992 Croatia proposed to Italy that the treaties concluded between the Republic of Italy and the former Yugoslavia continue to be applied in relations between Italy and the Republic of Croatia. That also applies to the Osimo accords," we were told by Croatian ambassador to Italy Ivica Mastruko, who refrained from commenting on the Trieste protests as an internal affair of Italy's.

The problem is not actually a foreign policy one. The current storm of Trieste protests is motivated primarily by Italian domestic political reasons. Nevertheless, the question is whether Croatia has done everything necessary to avoid offering room for that sort of quite common manipulation.

Federal**Panic Views Peace Efforts, Western Aid**

AU1311115692 Cologne Deutschlandfunk Network in German 0500 GMT 13 Nov 92

[Interview with Prime Minister Milan Panic by Georg von Huebenet; place and date not given—recorded; Panic statements in English with superimposed German translation]

[Text] [Huebenet] Mr. Prime Minister, a few weeks ago you announced optimistically that the FRY wants to help end the war in Bosnia-Herzegovina and intensify humanitarian aid in this region. Now you are warning that Europe and not only Yugoslavia are about to become the hostage of Bosnia-Herzegovina. Can you explain this change of mind?

[Panic] First, I think we helped the forces of peace to assume power in Bosnia. The conferences of Geneva and London continue. Cyrus Vance and Lord Owen [Conference on Yugoslavia cochairmen] continue their efforts. Sarajevo is being demilitarized, the siege of Gorazde is over, and airports are open. Belgrade airport will be used. Roads from Split to Sarajevo, roads from Zagreb to Sarajevo, and the roads of Belgrade are open. There are signs of peace. I am optimistic. Humanitarian aid is arriving, and the world is reacting in a positive manner. I believe that this part has been achieved. However, I have enormous problems in Yugoslavia because I am expected to achieve peace in a country for which I am not responsible—a country named Bosnia. For this reason, I am speaking of a hostage of the war. The sanctions must be abolished because people are suffering for no reason. Sanctions will not change the system. Elections will. I am determined to achieve that.

[Huebenet] Lord Owen, one of the cochairmen of the Yugoslav conference, stated recently that there is no reason for lifting the sanctions. Lord Owen accused the Serbs of not cooperating sufficiently. Why can't the prime minister of the FRY, Milan Panic, find a common language with the Serbian leadership on his peace efforts in Bosnia-Herzegovina and Kosovo?

[Panic] I believe that we have a common language of peace, and I seriously believe that the Serbs in Bosnia want to achieve peace, even if they have not been very successful so far. I believe that cannons around Sarajevo are silent and aircraft no longer fly. Prisoners are being exchanged. There are many good signs. Sarajevo has water, gas, and electricity. Thus, significant successes have been achieved, but they are being ignored. Vance and Owen's team is working. The French general in Sarajevo has brought Serbs, Croats, and Bosnians together, and together they are making efforts to demilitarize Sarajevo. I will submit a report or proposals on how this can be achieved. I hope that Sarajevo will be demilitarized. Yet this does not mean that the war is

over. It does not mean that everything is over. However, there is much less suffering today—I believe— than three months ago.

[Huebenet] Well, no matter whether this is true or not, you now have the personal satisfaction of being considered a man of peace initiatives and not one who is a mere straw man of Serbian President Milosevic. Yet help from abroad is still scarce. Can you explain that?

[Panic] I think it is really taking longer than I expected for foreign countries, foreign governments, and governments of the world, and particularly the EC to react. I told all of them that my peace policy has won through, and that they are dealing with men of peace in Yugoslavia. I believe that bureaucratic reasons are causing the delay. Everybody wants to help, but the aid is not yet arriving. However, I have the good feeling that the help will come very soon.

[Huebenet] You are having trouble with Mr. Milosevic. He is constantly setting new traps for you. You barely survived his most recent vote of no-confidence in parliament. Yesterday Milosevic presented the old mineral oil fields in [word indistinct] as new ones and stated erroneously that nobody will freeze in the winter because the production of new oil will increase enormously. At the same time Milosevic stated that nobody will have to starve because of the sanctions because more wheat has been grown this year. Everybody knows, however, that the grain supplies will only last until the end of December. With the help of the mass media controlled by him, Milosevic began falsely assuring the population that they need not be afraid of the winter. Mr. Panic, do you see any possibility of defending the democratization process that you have initiated?

[Panic] I do not agree with the world. That is particularly true this time. The world should help me because in this way it would support democratization. You are right. The negative forces have now received ammunition to fight against my peace policy and against democratization. This would not have happened if the Europeans had reacted faster and in a better way—not only with words but with deeds, just as they asked me originally.

[Huebenet] However, the truth is that these radical forces made you slow down your peace efforts and stop them in certain areas. This applies to the process of the normalization of relations with Croatia that was initiated. In this way, the radical forces want to gain time for the internal power struggle that has been forced upon them. Are you in a position to change this abnormal situation?

[Panic] I think the situation is abnormal. The best would be for the West to respond quickly, to provide humanitarian aid, and to allow the elections that I have prepared to take place in a democratic manner. The west should also supply paper to the newspapers that are much better now and electricity to the radio stations so that the news can reach the whole country. I am convinced that democratization will be successful if the western countries do that.

[Huebenet] Do you dare to predict the political future of the FRY, if democracy, which is to be given an opportunity on 20 December in the form of the first free parliamentary elections, should lose?

[Panic] If democracy loses, it will be a tragedy.

[Huebenet] Is the political situation in Kosovo and the Republic of Macedonia really that explosive? Greek Prime Minister Mitsotakis has described the Balkans region as a possible new war zone and predicted a new civil war involving the Albanians. He is afraid of a war that would affect the whole Balkans.

[Panic] I do not agree with Mr. Mitsotakis. I believe that his assessment is wrong. He has been wrong before. He is wrong because I am trying to achieve that the Albanians participate in elections in Kosovo. I wish he would help me bring the Albanians to the election booths instead of setting the region on fire with his statements.

Cosic Resumption of Duties Next Week in Doubt

LD1311141792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1245 GMT 13 Nov 92

[Text] Belgrade, 13 Nov (TANJUG)—Judging by the opinion of experts, forecasts that FRY President Dobrica Cosic would be able to resume his regular state duties next week are premature. General Jovan Bijelic, head of the Military Medical Academy in Belgrade and head of the board of doctors supervising Cosic's convalescing, told TANJUG's editor-in-chief today that the kind of operation which President Cosic underwent "requires hospital treatment of seven to 10 days, and then home rest." President Cosic underwent minor prostate surgery on 8 November.

General Staff Chief Invites Powell To Visit

LD1111182292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1606 GMT 11 Nov 92

[Text] Belgrade, 11 Nov (TANJUG)—Colonel General Zivota Panic, chief of the Yugoslav Army's General Staff, sent a letter to General Colin Powell, chief of the U.S. Joint Chiefs of Staff, inviting him to be a guest of the Yugoslav Army. General Panic says in the letter that the Yugoslav Army and its members "nurture sincere friendship and professional respect" towards the Armed Forces of the United States.

The chief of the Yugoslav Army's General Staff stresses that members of the Yugoslav Army received with great satisfaction a statement made by General Powell in which Powell opposed clearly any form of "military intervention on the territory of former Yugoslavia. We are glad to see that as a soldier and a professional you understand the causes of civil war in Yugoslavia and the nature of ethnic and religious conflicts, as well as the indisputable fact that any foreign armed interference would bring about undescrivable war chaos on the Balkans and its uncontrollable and progressive spreading," General Panic writes.

In the letter to General Powell, General Panic notes "the Serbian and Montenegrin nations were allies of your great country in all wars up to now, and especially in the fight against fascism, and our armies have never been adversaries on the battlefield. I am deeply convinced that this will never happen and that your constructive approach and professionalism are at this moment key reasons for our conviction," General Panic writes.

Eight days ago at the annual conference of the New York stock exchange, General Powell assessed that the way out of the Yugoslav crisis will be found in a political solution and that military intervention cannot solve problems with deep religious, cultural, and historical roots.

Economic Disputes Between Serbia, Federation

LD1211232892 Belgrade TANJUG in English 1608 GMT 12 Nov 92

[Text] Belgrade, November 12 (TANJUG)—Economic experts of the Yugoslav Government and the Government of the Republic of Serbia are thinking for the most part along similar lines about the ways to get out of the current economic crisis, the Belgrade daily POLITIKA writes on Thursday [12 November].

The daily has organized a "duel" between member of the Serbian Government's Economic Council Zoran Popov and one of the economic advisers in the Government of the Federal Republic of Yugoslavia, Pavle Popovic.

Last weekend, Serbian Premier Radoman Bozovic invited Yugoslav Prime Minister Milan Panic to a duel. On Monday Panic declined the invitation by saying that he did not study Marxist economics and therefore had no intention to debate it.

Commenting on the potentials contained in a federal anti-inflationary programme, Popov said it was "outlined according to the IMF scheme" and based on a computer-elaborated technology.

The Serbian Economic Council only expressed doubts that the prerequisites for the programme to be applied starting from January 1, 1993 could be created within the next two months, said Popov.

He added that the Serbian Government also doubted that it was possible to provide 3.2 billion dollars from abroad as financial backing to the programme, in conditions of the long duration of international sanctions.

In his view, these prerequisites could only be ensured for a period until January 1, 1994, provided the sanctions were lifted by the end of 1992.

The prerequisites, Popov explained, concerned the liberalization of foreign trade and prices, and the establishment of a price parity corresponding to those abroad.

Defending the federal programme's methodology, Popovic said that hyperinflation could be brought down within a short period and mentioned three months as the upper limit.

He thought that, with minor changes, the programme could start on March 1, 1993 or on some other date after the lifting of sanctions.

Popovic granted a possibility that the Federal Government's programme differs from the earlier proposals put forward by the Serbian Economic Council in that the latter, in the sphere of monetary policy, proposes an increased issue of primary money to stimulate production and investments. The other vital difference lies in the proposed measures to curb public spending, he said.

Alleged Proposal of Karadzic for FRY Delegate

93BA0153E Belgrade POLITIKA in Serbo-Croatian 28 Oct 92 p 7

[Article by B. Radivojsa: "Radovan Karadzic a Deputy in the FRY?"]

[Text] *In connection with a proposal of the Serbian Democratic Party for Serbia; writer Radomir Smiljanic is in favor of introducing the position of observer-deputy in the Federal Assembly; in this way representatives of all the "Serbian lands" would be in one place; proposal without a legal basis.*

Recently the news was published that the Serbian Democratic Party [SDS] for Serbia intended to nominate Radovan Karadzic, president of the Serbian Republic [as published], as a deputy in the Federal Republic of Yugoslavia [FRY] Federal Assembly. The news was announced by Radomir Smiljanic, the party's vice president, and it immediately encountered various commentaries. What the SDS actually intended to do, however, was left unexplained.

"We are proposing that 15-20 political figures outside the FRY be candidates on the party ballots in the upcoming elections in Yugoslavia," Radovan Smiljanic explained to us. "I talked personally with Mr. Karadzic, and he agreed to our proposal. It is the SDS's idea, however, that such a ballot also include several significant figures from the Serbian lands, such as Biljana Plavsic, Nikola Koljevic, Milan Babic, etc."

They would—if elected by the citizens of the FRY, naturally—have the status of observer-deputies, Smiljanic said, and explained that these representatives would participate in discussions, but could not vote.

According to Smiljanic, a legal basis observing equality for this proposal does not exist now, but it could be made possible by amendments to the electoral laws, since the London conference on Yugoslavia "created" the possibility of dual citizenship in the former SFRY, and on that basis these prominent figures could be nominated as

observer-deputies, even though they do not have permanent residence on the territory of the FRY.

"Radovan Karadzic agreed to this proposal, and even said that he wanted to be nominated in Montenegro, since he is from that republic," Smiljanic told us. He explained that in the Yugoslav parliament these people would "participate in integrating the Serbian region and the Serbian population, but completely observing the equality of all citizens and members of different nationalities in the present Yugoslavia."

In response to a comment that the status of observer-deputy is not a common one in the world, Smiljanic answered that our current status in the world is not a common one. The former Yugoslavia has been destroyed, and the Serbian people has been divided against its will, and in that situation it is necessary to find means for the political representation of all parts of that people.

Would Serbian observer-deputies put the other nations in the FRY in an unequal position? What if they also demand their own observer-deputies in the Federal Assembly? What if, for instance, the SDA [Party of Democratic Action] in Novi Pazar nominated certain people from Bosnia as its own observer-deputies?

"Those people would never come to the FRY, because they do not recognize it and they do not have any intention of assuming dual citizenship. That is why the SDA could not nominate such people," Smiljanic answered us.

Lawyers, in any case, say that if the law on citizenship in the (former) SFRY were in effect, then citizens of one (socialist) republic could be elected in elections in another republic. The new law on FRY citizenship has not yet been passed (according to the constitutional law, the Federal Assembly has to pass it by the end of this year), but on the other hand the new FRY electoral law is in effect, which says that Yugoslav citizens who have reached age 18, who are capable of working, and who have a residence on the territory of the FRY can be elected as deputies.

The law does not recognize the status of observer-deputies, nor does it recognize the possibility of electing those who are not residents of the territory of either Serbia or Montenegro. Legally, therefore, there are few prospects that the SDS's proposal will be implemented.

Serbia

Poverty, Unemployment Increasing in Kragujevac

AU1211150092 Belgrade BORBA in Serbo-Croatian 6 Nov 92 p 11

[Report by Z. Radovanovic: "Life on the Brink of Desperation"]

[Excerpts] Kragujevac—Until recently a model of economic development, Kragujevac is today on the brink of

social desperation—so claim well informed and competent sources. According to official reports, as many as 26,000 Kragujevac residents currently have the status of being "materially endangered," or, to be precise, they need the help of society for their bare survival. [passage omitted]

As a part of the "Solidarity in Action" campaign, the local Red Cross planned to raise 57 million dinars to help materially endangered Kragujevac residents and refugees. However, only 3 million dinars were raised. "Zastava" [the "Crvena Zastava" automobile and arms factory], for example, responded to the appeal by saying that it does not even have the money to pay its workers' salaries, let alone aid. Similar responses have been received from other Kragujevac companies as well. [passage omitted]

Kragujevac unemployment bureau, which has approximately 18,000 mostly young and educated people on its books, that it cannot offer any other solution at present, as there is simply no work. Kragujevac is, the well informed say, one of the most endangered towns in Serbia and Yugoslavia. More than 50,000 people capable of work are wandering idly through the streets. Many of them are turning to petty or large-scale smuggling. Crime is on the increase. [passage omitted]

Assembly Considers Raising Minimum Salaries

AU1111212892 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 11 Nov 92

[Report by Nebojsa Spaic on Serbian Assembly session in Belgrade on 11 November]

[Excerpt] [passage omitted] The Serbian Assembly had on its agenda the proposal on the revision of salaries and other income until the sanctions are lifted. The government proposal that the lowest salaries should be raised by 54 percent is expected to be adopted. The law proposes that no one who is employed should receive less than 75,000 dinars, which was the lowest price for labor in October. Workers on forced annual leave will receive 65 percent of that amount. [passage omitted]

Montenegro

Party Threatens To Set Up Paramilitary Group

LD1111234792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1826 GMT 11 Nov 92

[Text] Podgorica, 11 Nov (TANJUG)—The Serbian Radical Party for Montenegro [SRS] today demanded in connection with this morning's attack on the Pristina garrison that "state bodies do everything necessary to protect the lives of all members of the Yugoslav Army in the future. Otherwise, the SRS for Montenegro will immediately start to organize its formations which will be equipped to protect the Serb people in Kosovo and Metohija and in Serb Krajinas," a party statement says. The SRS draws attention to the latest developments in

Hercegovina saying that the Croatian Army has endangered the integrity of the Federal Republic of Yugoslavia on Prevlaka and the Debeli Brijeg Hill with its personnel and equipment. They demand from the FRY president and the Yugoslav Government to halt genocide against Serbs in Hercegovina through international factors.

Pharmaceutical Supply Continues Despite Embargo

93P20039 Podgorica POBJEDA in Serbo-Croatian 2 Nov 92 p 13

[Article by So. L.: "Drugs From Imports"]

[Text] From whom and in what way does the main supplier of pharmaceutical products, Montefarm, succeed in obtaining, in spite of the blockade, sufficient quantities of these products to fill the city pharmacies?

Olgica Knezevic, deputy director of Montefarm and director of Montenegro pharmacies says: "We have daily contacts with domestic producers (Galenika in Belgrade, Zdravlje in Leskovac, Hemofarm in Vrsac, Jugoremedija in Zrenjanin, Alkaloid in Skopje), although they demand that payment be made in advance or within 15-days and that debts be previously cleared. We also order drugs from foreign partners. However, permits from the UN Sanctions Committee are necessary for such imports, making the delivery more difficult, especially from partners in Austria, Germany, and Switzerland, although this is not the case with Italy and Denmark. In spite of existing difficulties, Montefarm succeeded in supplying certain products of vital interest: snake bite serum, antitetanus serum, surgical threads, certain cytostatics. A great many products are expected to arrive by the end of the year. AIDS and hepatitis testing kits have been ordered and should arrive soon. We continue to cooperate with Krka and Lek firms in Slovenia, and we have been trying to import products from Pliva in Zagreb and Belupa in Koprivnica." Factories in Serbia, with Galenika in the forefront, are trying to technologically produce the products of these pharmaceutical companies, Knezevic points out, adding that what is essential is that several brand names are available for each drug. In view of the blockade and the large number of refugees, the supply of city pharmacies is, on the whole, satisfactory.

Macedonia

Gligorov Calls for UN Peacekeeping Forces

LD1211210192 Belgrade TANJUG Domestic Service in Serbo-Croatian 1926 GMT 12 Nov 92

[Text] Skopje, 12 Nov (TANJUG)—Macedonian President Kiro Gligorov stated in Skopje this evening that, on the occasion of his visit to New York, he made an official request to UN Secretary General Butrus Butrus-Ghali for UN peacekeeping forces to be sent to Macedonia.

At a news conference held upon his return to Skopje from a working visit of several days to the United States, Gligorov positively assessed the work of the EC observers in Macedonia. He found them very useful, but he expressed his belief that "the presence of the UN peacekeeping troops would be much better."

President Gligorov also said that one of the aims of his visit to the United States was the continuation of normal ties and talks with representatives of the U.S. Administration, and that, on the occasion of his visit to the United Nations, he renewed the Macedonian request for membership.

Kosovo

Bukoshi Calls for Free Elections, Recognition

AU1211153192 Frankfurt/Main FRANKFURTER
RUNDSCHAU in German 12 Nov 92 p 2

[Report by Ursula Ruetten: "Coexistence With Serbs"]

[Text] Among the approximately two million ethnic Albanians living in the Serbian province of Kosovo, the call for independence is growing. Fear of war and outrage, an exhausted economy, paralyzed cultural institutions, but a democratic people's representation and government, albeit forced to be elected in the political underground and unable to function—this is how Kosovar Albanians describe the situation in their homeland. In an interview with FRANKFURTER RUNDSCHAU journalist Ursula Ruetten, Kosovo's Prime Minister Bujar Bukoshi explains how the government, which is not recognized by the Serbs, envisages the future of the region as an independent republic in peaceful coexistence with their Serbian fellow-citizens.

The fact that FRY Prime Minister Milan Panic has recently been to Kosovo's capital Pristina twice for talks with the leadership of the Kosovar Albanians, can be considered as a moral success for the Albanians, but "nothing more," Bukoshi says. Good will alone cannot replace Panic's lack of political power. In order to be able to negotiate on Kosovo's future political status, the restrictive special laws and the state of emergency imposed by the Serbs on the province must be lifted first.

In the view of the Kosovar politician, a division of Kosovo, as idea FRY President Cosic has introduced

into the discussion, would not be an acceptable compromise between Albanian and Serbian interests. "The Serbs would certainly pick out the juiciest tidbits for themselves, that is: our fertile Kosovo plain and the areas with the raw materials and industrial plants." According to Bukoshi, more than 60 percent of all coal reserves of the former Yugoslavia are in Kosovo. Open strip coal mining, the nitrogen and artificial fertilizer industry, the Trepca combine, one of the world's largest producers of refined lead, and thermal power plants are all Kosovo's industrial assets, which would then have to be divided.

Bujar Bukoshi is convinced: "The Serbs and the Albanians in Kosovo cannot separate." The government does not envisage Kosovo "as a purely ethnic, that is exclusively Albanian state. Of course, the Serbs can keep everything that belongs to them there. Our producer goods are social, that is, state property in the basis of Yugoslav law. In our view, the state of Kosovo belongs to the people who live there. Our economic experts plan to privatize many sectors, apart from mining and energy. However, at first there will probably be a transition solution between state property and private investors."

Bukoshi points out that the Serbs have deprived the Albanians of jobs and capital since abolishing their autonomy. "Of course, all this must be revised. We will suggest that, as a starting point for the negotiations about the status of Kosovo, everything should be returned that has been seized from us by force and in violation of the Constitution since 1990."

A return to the former status of autonomy is out of the question for the politician: "Who can guarantee that it will be maintained?" Free elections and the recognition of the independent republic, which was proclaimed following a majority vote by the Kosovar Albanians, as a state for all its citizens and not as an Albanian national state, are the only prospects for Kosovo.

Bukoshi admits that the mood in his homeland is becoming increasingly radical: "Many people no longer believe in peaceful coexistence between Albanians and Serbs in Kosovo. There are influential people, such as Rexhep Qoshja, who calls for more determined action by the Albanians, but not the use of force. Every Albanian knows that a uprising in Kosovo would be pure suicide and, because of the solidarity of Albania and the Albanians in Macedonia and in Greece, it would be a definite step toward internationalizing this war."